THE FINANCIAL POST

The Canadian Newspaper for Investors

VOL. XIII. SINGLE COPIES, 10 CENTS — PUBLICATION OFFICE: TORONTO, AUGUST 9, 1919 — ANNUAL SUBSCRIPTION $3.00. No. 32

TARIFF ACTION BY THE LIBERALS STEP IN THE DARK

No Information Presented as to Effect of the Proposals

KING AND BUSINESS

Uncertainty Prevails as to How New Leader Will Emerge From Academic Atmosphere of Recent Years

By Resident Representative.

OTTAWA.—The public attitude of distrust towards business which is the result of the general social unrest and discontent at the working of economic laws in relation to the cost of living found some reflection in the general spirit which pervaded the great Liberal convention this week.

The tariff resolution permitted an outward expression of this, but when all the factors are taken into consideration it is a question as to whether the low tariff element gained any ground beyond what might have been reasonably conceded in a practical analysis of the whole political situation.

Throughout the tariff debate sentiment ranged all the way from the most radical Cobdenite utterances to the counsels of moderation and vagueness urged by some who were apparently afraid of the strong protectionist sentiment which exists in spots all through the party. It is no secret that there was a pretty strong fight in committee before the low tariff sentiment of the West prevailed. At all events it was not all-embracing enough to please "Honest" John Oliver, Premier of British Columbia, who seemed to think that it was too sectional in its incidence.

Lack of Information

Kirk Cameron, a Montreal manufacturer and friend of the late Sir Wilfrid Laurier, tried to give the convention some salutary advice on their platform-making efforts, but he got very little hearing. He warned them that they were attacking the tariff in a most unscientific manner, framing this tariff policy without adequate knowledge in information, and it would be just another case of pledges which could never be carried out, with consequent dissatisfaction, but the turbulent spirits from the West were in no mood to listen to the counsels of moderation, and he effected nothing. The radicals appear to have a firm hold on the party, and their influence has prevailed for the present.

Platforms, however, as a cynic once said, are made "to get in on, not to stand on"; and, as in Shakespeare's time there used to be rough humor interspersed in the tragedies "to please the groundling," so now we may discount some things which went through the convention with the knowledge that the West had to be appeased with concessions, which may be a long time before they are ever crystallized into legislation. Evidently much would depend on the attitude and mentality of the man chosen to guide the parties' destinies and deliberations hereafter.

Perhaps the one thing most clearly revealed by the proceedings of the convention was the need for some adequate knowledge regarding the tariff and the condition of Canadian industry. Mr. Cameron pointed out to the convention that the committee charged with framing it had no adequate knowledge regarding the items involved in the resolution. "How can you make a tariff intelligently without information?" asked Mr. Cameron. Echo answered, "How!" But that was the only sane answer he got to the question. Apparently the majority of the delegates did not know—or care.

It must be borne in mind that these resolutions are put to the meeting in the most informal manner possible. They are settled by a few men in committee, put by rapid-fire method to the meeting, and assent apparently taken for granted in every case, the chairman announcing "carried" without any further formality or discussion. There has been no general discussion of any kind on the part of the meeting. Discussion has been free in an informal way, however, and

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The Radial Issue at Guelph

THE balloting of the ratepayers of Guelph on Monday on the proposed agreement to enter into relations with the Canadian Pacific Railway for the operation of the radial railway and the building of a connecting line with the Grand River system marks a crisis in the affairs of the Ontario Hydro-Electric. Sir Adam Beck's Hydro-radial scheme is a chain which is no stronger than its weakest link and although it has been forged by a master manipulator of the political sledge-hammer the temper of some of the links remains to be tested. If Guelph decides to take the definite offer of the C.P.R. as against waiting further for the fulfillment of Beck's roseate but questionably sound schemes it will mean a break in the chain which may result in bringing the Power Knight to a position where he will have to get something more stable behind him than the public ownership enthusiasm upon which he has been able to go so far by methods which are causing the serious apprehension of the business men, financiers, engineers and economists.

Sir Adam is employing those tactics to carry the day at Guelph which have been so successful in the past. That they will be successful again remains to be seen, but if they are it will be a duplicate of his Hamilton victory where, against every stable force of public opinion, he lined up the unthinking voters to the cause of public ownership and carried the issue. When the C.P.R. proposal was first announced there was almost unanimous support offered by those who were acquainted with the situation. Against this Beck has raised the corporation bogey with the usual effect upon the people. Popular opinion has been turned against the agreement but whether the voting taxpayers will be persuaded to continue to chase the rainbow, will only be decided by the ballots.

The Hydro chairman and his supporters are putting their every influence into the contest. They realize the importance of the issue. Sir Adam tells the people that in any event the agreement cannot be made legal without the consent of the Commission, but his own concern about the result belies his faith in this statement. It is in line with many other reckless statements which he has made during the campaign but he has not had his usual success in "getting away" with them, because in Mayor Carter, who is supporting the C.P.R. agreement, he has encountered a hard-headed business man and financier who has the courage to stand by his convictions despite the efforts to influence popular opinion against him.

Checking Up Sir Adam

At Sir Adam's meeting, which was so manipulated as to cheat Mayor Carter out of an opportunity to speak at length after he had been invited, the latter passed the lie to the Hydro chairman in the face of a big audience of public ownership supporters. What was more, he was able to justify the charge. He said that there were many untruths in the Beck address and the evidence supports him. But perhaps even more insidious than the lies, which can be met, are the reckless half-truths, wild statements and roseate promises with which the Power Knight embellishes his public utterances, and which are so attractive to a people willing to believe that public ownership is the panacea of all economic ills.

Mayor Carter convinced Sir Adam's own audience that statements regarding the relations between the city and the commission were not true. Since the meeting the Ratepayers' Association of North Toronto has gone on public record in denial of other statements regarding the relations of the municipalities and the commission. That it has been easy to deny Beck statements effectively is indicated by such remarks as:—

> "The Mayor of Guelph, alone in the province of Ontario in eight or ten years, was the only man that has found fault with financial matters and the Hydro Commission."

This is a quotation from the report of the meeting of the Toronto *Telegram*. We will leave the answer to the readers of THE FINANCIAL POST. Then, again, regarding the Bell Telephone Company he said (same authority) that after the recent stock distribution, "The stock soared; I do not know what it is and if it is still soaring." The answer is the company's stock market record for the past quarter century—the price has never been lower than it is to-day.

Hydro Operating Methods

As an instance of the tactics which the Hydro chairman adopts to win votes for his cause and the way he is willing to cast aside business common-sense in so doing was indicated at Guelph by a statement regarding wages—it was a Trades and Labor meeting. Without going into figures, he intimated that the scale on the Grand River line was lower than that in Guelph and hinted that by some means the latter would be brought down by the C.P.R. Then he spoke of the wages on his London and Port Stanley line and by vague hints inferred that they were much higher. Thus we have the executive head of a transportation system boasting that he pays wages higher than necessary in order to win political influence. This may appeal to a few Socialists but no one with a grasp of even the most elementary business principles can see anything here but the most glaring inefficiency in operation—and it is the lack of efficiency which is the most serious charge which can be brought against public ownership.

This weird argument of Sir Adam that he can benefit the community by boosting the wage scale without corresponding increases in charges leads to only one conclusion that the difference must be taken out of the taxpayer by some process. Likewise in the last analysis there will be a burden on the whole community if he is ever enabled to carry out his scheme of radials when there is not the business to warrant their successful operation. The idea that the lines will create the business to make them pay is on a par with the theories of Sir Francis Hincks which were so popular in the fifties but which led to financial disaster for many municipalities. The whole scheme should be subject to the closest scrutiny by independent experts, described on page four of this issue, especially in view of the reports that the Chippewa development will cost in the neighborhood of $20 per horsepower, at which rate its economical use for electrical transportation over a large area already fairly well supplied with transportation facilities is very doubtful.

The Legal Point at Guelph

Sir Adam says that the C.P.R. agreement at Guelph cannot be made legal. This is a point on which there is a difference of opinion. The city, like other municipalities, passed an agreement for the building of Hydro lines in which they promised to stand by the "ring." But that agreement has not been carried out and Sir Adam himself is not willing to stand by the figures. He can hardly hope to break an agreement in one particular without invalidating the whole document. Further, the opinion of T. R. Ferguson rendered to North Toronto at the time Beck tried to hold the same clause over the heads of the ratepayers was that it did not refer to existing franchises—and the Guelph radial franchise, which was bought by the city and under which the Guelph radial board operates, is still in force. If the Hydro agreement can be interpreted as Sir Adam Beck is desirous of doing then we can fittingly endorse the opinion of the Hamilton *Herald*:—

> Does it not seem strange that the people of a municipalty should voluntarily tie the hands of its representatives so as to render them unable to do anything to improve the transportation facilities of the municipality? That is what the Guelph ratepayers did when they blindly ratified the Hydro-Radial by-law with its restrictive clause three years ago. Many of them are sorry for it now. And that is what the ratepayers of every municipality (including Hamilton) have done in ratifying Hydro-Radial by-laws.

BLACK RUST HAS FURTHER REDUCED WESTERN HARVEST

An Estimate of 15 Bushels to the Acre for Manitoba

THE MARKET CONTROL

Proposition Does Not Improve in Farmers' Eyes, But Stewart Should be Able to Make Best of It

By E. CORA HIND,
Commercial Editor, Manitoba "Free Press."

WINNIPEG.—The fourth crop report of the Manitoba "Free Press," which was issued Thursday morning, confirms the statement sent you last week as to the serious damage to the Manitoba crop by black rust. Out of 82 points queried, 72 were heard from, and every large district of the province was covered by the replies. Very few points reported no rust and the majority reported rust damage running from five to fifty per cent., though the latter is only reported from very limited areas and on crops that under ordinary conditions would have run from forty-five to fifty bushels to the acre. It is probable that the crop is reduced ten bushels an acre, taking the province as a whole.

The Minister of Agriculture, Hon. Valentine Winkler, is out with an estimate of 45,000,000 bushels of wheat for Manitoba. This would mean an average of fifteen bushels to the acre, and it is possible that we may get no more as the weather is of the nature to spread rust on later crops. Harvesting is general, however, and by the end of this week at least 25 per cent. of the wheat crop of Manitoba will be in stock.

Saskatchewan and Alberta

In Saskatchewan there has been very little improvement in the condition of the wheat crop. Cutting is general there also, which is extremely early. Local rains have improved the outlook for coarse grain and feed in a number of districts, but in the south and southwest the plea is for rain and more rain. In these districts the yield of wheat is estimated by the "Free Press" correspondents at from three to eight bushels to the acre.

In Alberta the long drought has been broken by heavy rains. These have come far too late to be of any benefit to the wheat crops, but will materially improve the situation with regard to feed for livestock. The Edmonton district reports a splendid crop. They have had no setbacks since July. Erskine, Lamont and Munson report good crops running from 20 to 25 bushels to the acre, but all other points heard from would indicate a yield of from 5 to 7 bushels on the acreage which will be cut, which is by no means the acreage which was seeded. One or two points in the extreme south state that with the use of "headers" they may get back their seed.

The oat crop of all three provinces is poor, being about 20 bushels on the acreage seeded. This is the third poor oat crop in three successive years, which is occasioning great anxiety.

James Stewart of the Wheat Export Company has been announced as chairman of the new board for handling of the wheat crop. If anyone can pull this fool proposition out of the hole he is the man who can do it. Personally he is strongly in favor of the open market, but others who attended the conference at Ottawa stated that he had it put up to him as a national duty that, as the Government had decided on this course, he should give them the benefit of his four years' experience in buying and shipping for the Allied Commission.

Farmers from various points of the country continue to send in indignant remonstrances at the action of the Government on deciding on this method of handling the wheat. It has developed through the week that the Canadian Council of Agriculture as a whole had not seen the scheme which was presented to the Government in their name, and which, with a very few changes, was the plan adopted. It seems that a committee composed of the various business managers of the United Grain Growers and the Scottish Co-operative Society were given powers to devise a scheme and present it to the Government without again referring it to the council, and this it appears was what was done. It might have been accepted by the farmers had it not been for the fact of the market being open for a week and showing that higher and not lower prices were likely to rule on the open market.

THE VANDERLIP SERIES

The fifth instalment of "What Happened to Europe," written by Frank A. Vanderlip, who recently resigned as president of the National City Bank and has long been recognized as one of the leading bankers of the United States, starts on page 10. THE FINANCIAL POST obtained publication rights by special arrangement and copies of issues containing previous instalments are available for new subscribers.

IMMEDIATE TROUBLE IS NOT LOOKED FOR

Canadian Railway Officials Say Relations With Car Men Are Reassuring

By Resident Representative.

MONTREAL.—THE FINANCIAL POST learns that there is no present cause for unrest or apprehension regarding the attitude of Canadian railway shopmen. This question has been raised in view of the developments in the United States. Naturally the developments there are being watched with interest, and it is not unlikely that the shopmen in Canada will watch the outcome of the present efforts to secure a definite agreement and settlement with close attention.

The various Canadian railway companies are on good terms with the men and matters are working smoothly. Negotiations have not been introduced here, but these might be opened at any time, it is understood. In the meantime any matters which might have naturally developed are being held in abeyance. This does not mean, necessarily, that any action to be taken by the Canadian shopmen will be governed by action taken across the line. It is quite natural that the workmen would await the result of such negotiations as are introduced just as would any body of men engaged in any other effort.

One Canadian official referred to the fact that the men had threatened to strike some time ago, growing restless, apparently, under the delays in making the award following the conferences held for several months between officials of the Railway Administration and representatives of the men. But this had not developed and there has been no difficulties of late in the operation of the various shops.

In the event of a strike being called in the United States there might be action taken here, though this is not sure to be the case by any means. It is possible, not to say probable, that the decision over the line might suggest to the Canadian employees that they ask for a similar working agreement as is accorded the United States railway employees in this group. Since it was generally understood that the conditions here would be adjusted to coincide with the schedules made effective by the United States Railroad Administration, it is possible that a similar understanding may be adopted, when made, throughout Canada.

Should any action be taken here it will affect some 35,000 men. This would include car and locomotive repair men and those engaged in general railway equipment and car building.

B. C. LUMBER TRADE

Aeroplane Spruce a Big Factor in 1913 Production

During the year 1918 the fluctuating demand caused by the emergency nature of all business was reflected in the lumber business of British Columbia; but the province during the last two or three years has obtained a footing which requires only sustained effort to secure for British Columbia timber a market for at least 250,000,000 feet a year. The year 1918 saw the province most prominent in connection with the war, the total shipment and production of aeroplane spruce and fir from January to November, 1918, totalling 26,124,000 and 9,224,000 feet respectively. The aggregate estimated value of timber production for 1918 was $54,162,523, against $48,300,469 in 1917, and $29,150,000 in 1915.

VICTORY BONDS NOW AGAIN IN POPULAR FAVOR

The Government Announcement Stiffened Market for Tax-Free Issues

STOCKS ARE DULL

Little Demand and a Tendency to Lower Levels in Sympathy With Wall Street

The feature of the week's markets has been the return to favor of the Victory bonds and other Dominion issues. Prices strengthened all along the line on the announcement of the Government that a definite decision had been reached to make the forthcoming $250,000,000 peace issue subject to taxation. The manner in which the tax-free issues were affected is indicated in the following summary:

VICTORY BONDS

	High Aug. 1	High Since	Change
1922	100½	101	+ ½
1923	100⅜	101	+ ⅝
1927	101½	102½	+ 1
1933	103¼	105¼	+ 2
1937	105	106⅜	+ 1⅜

WAR LOAN.

	High Aug. 1	High Since	Change
1925	97	98¼	+ 1¼
1931	98	98⅝	+ ⅝
1937	100⅛	101¼	+ 1⅛

Such an improvement in the market for national issues naturally had a reassuring effect in the general bond mrket and there was a stiffening of prices and a betterment in demand.

So far as the stock markets were concerned any reflection which might have been found there of the better tone to the situation was more than offset by the weakening of the New York Exchange. Sentiment in Wall Street was depressed by the labor situation, particularly as regards the transportation companies, and the bears took advantage of the tendency to liquidate. The extent to which the movement may be carried is problematical but there are certain signs that the public has in the past few months absorbed a lot of stocks and a general selling movement may reach considerable proportions as investors let go. Hayden, Stone & Co. express the following opinion:

> Those who believe that speculation has largely run its course would say that it had gone stale. The temper of the market can often be gauged by its reception of news. The report of the Steel Corpor-

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The United States Post Office requires the following information on copies of this publication going to the United States:—

THE FINANCIAL POST, August 9th, 1919, Volume XIII., No. 32. Published weekly at 143-153 University Avenue, Toronto, Canada, by The MacLean Publishing Company. Yearly subscription price, $3.00. Entered as second-class matter July 1, 1912, at the Post Office at Buffalo, under the Act of March 3, 1879.

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The Transfer Books will be closed from the 17th to the 31st day of August, both days inclusive.

By order of the Board.

H. B. SHAW,
Winnipeg, July 17th, 1919. General Manager.

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CANNERS' HEAD GIVES ANSWER TO PROF. JACKMAN

Says No Profiteering and That Rebates Are Legal

TO MAKE CONCESSION

General Manager of Company Expresses a Willingness to Meet Objections Which Have Been Raised

J. L. Stocks, general manager of the Canadian Canners, who have been called to the public attention through Professor Jackman's report to the Department of Labor, on the operations of the canning industry in Canada, stated in an interview with THE FINANCIAL POST, that while they did not admit that there was anything illegal in the "loyalty rebates" that had been given to the customers of the company, and that while they were confident that their right to maintain this system could be successfully defended in the courts, to avoid any, even unjustifiable suspicion, and to meet the wishes of the Cost of Living Commissioner they had announced their willingness to withdraw this rebate, and to discontinue anything of this nature.

Mr. Stocks stated that the Cost of Living Commissioner had assured him that this was the only complaint that the Department had against the company.

He deprecated the statement made in the report that the Canadian Canners were "almost entirely a price fixing organization for the Dominion Canners, Limited, and others." Such a phrase, he believed, gave a sinister impression that was in nowise justified by the facts as given personally to Professor Jackman and Dr. McFall.

The Two Companies

The impression this phrase would convey, was that the Canadian Canners were more or less a tool of the Dominion Canners. That, he continued, was very far indeed from being the case. The Canadian Canners were a handling company purely and simply, taking the place of brokers or agents. They bought the packs of the various members of the association, the Dominion Canners included. They were established to give a measure of stability to the business. Before the formation of the Canadian Canners, the smaller packer had to deal direct with the banks for funds to finance his operations; if times were uncertain and turnover slow, the banks were inclined to crowd the packer, with the result that he was compelled to force his pack on the market to the destruction of any stability in marketing conditions. The company was actually created by the need for some agency that would prevent such occurrences and give a necessary degree of stability so that the industry could survive. That was the work of the Canadian Canners, they financed the caner, and bought on a basis of average cost of production his pack, and sold it at a fair profit over and above this cost, for that they were allowed a percentage of profit on capital that no more than represented a brokerage charge.

No Excessive Profits

That they had made any excessive profits was emphatically denied by Mr. Stocks, this denial applying of course to the selling price of the Dominion Canners for pack that was handled by the Canadian Canners. Controlling as they did, a very large part of the total pack of the country, there was an ample opportunity for making a very substantial profit during the past year. As a matter of fact they had asked only a reasonable profit over cost, and had sold their pack so far below what they might have asked that they were in some instances twenty per cent. below the prices asked by some of the independent packers whose prices they could not influence.

In regard to the accusation as to the heavy watering of the stock of the Dominion Canners, Mr. Stocks disclaimed any definite knowledge of this condition, though admitting that there might be ground for this accusation. The charge, however, that the Dominion Canners were maintaining high prices to enable them to declare a dividend on this watered stock, however, he was ready to deny. The Dominion Canners, while associated with the Canadian Canners, did not, he emphatically stated, hold any controlling interest, and could not set a price to suit themselves, or to further any such idea. Nor could such a charge, he claimed, be borne out by any investigation.

NEW WINNIPEG FIRM

WINNIPEG.—The Manitoba Finance Corporation which was incorporated recently, has commenced business with offices in Winnipeg, Man. J. M. Baird, formerly with Davidson and Macrae, is the president and managing-director of the company. Mr. Baird was the organizer for Manitoba, of the campaign for the sale of war savings stamps. J. D. Perrin, who was also at one time with Davidson and Macrae, is secretary. The chief business of the company will be in farm lands. It is the intention, however, to develop a department which will deal in western municipal and industrial securities.

BUSINESS IS BRISK IN MILLING TRADE

Only Drawback at the Present Time is the Shortage of Wheat

Business with the mills at the present time is of a very satisfactory character. The only drawback is, of course, the growing scarcity of wheat. Orders are brisk, so brisk indeed that some of the mills have withdrawn their travellers from the road, as they have more orders than they will be able to handle for some time. This is due, it is believed, in a large measure to the centralizing of the business with the larger mills. With the growing scarcity of wheat the small community mill, unable to get supplies, is eliminated from the business for the time being, and the buyers have turned to the large mills who are still operating for their stocks of flour. The result is, that there is a heavier volume of business than normal.

The question is largely now a matter of wheat supplies. These are running to a close, but it is generally believed that mills will have sufficient to continue operation at a somewhat limited output, until the new season's crop is available. It may be that here and there some of the mills will be compelled to close, but it is expected that generally speaking the larger companies will be able to continue operation till plentiful stocks of grain are again available.

BANNER YEAR IN U.S. FOREIGN TRADE

Both Imports and Exports Have Risen to New High Levels

NEW YORK—United States commerce, in the fiscal year which ended with June "broke the record" in many particulars. Both imports and exports were the largest in the history of our foreign trade and the grand total for the first time crossed the $10,000,000,000 line; the "favorable trade balance" exceeded that of any earlier year, and the closing month, June, wound up the spectacular record with a total trade of $1,211,282,450, an average of nearly $50,000,000 a day in the twenty-six business days of the month. The value of the merchandise forming the foreign commerce of the United States in the fiscal year 1919 was one-half as large as that forming the entire international trade of the world in the year preceding the war.

The exact record of this remarkable trade year was, according to a statement by the National City Bank of New York—Imports, $3,096,000,000 against the former high record of $2,945,655,000 in 1918; exports, $7,226,320,000 against the former high record of $6,290,048,000, in 1917; the grand total $10,322,460,000 against the former high record of $8,949,404,000 in 1917. The excess of exports over imports, or "favorable trade balance," was $4,129,000,000 against $3,630,639,000 in the former high record year of 1917. The favorable trade balance in the five years since the beginning of the war is greater than in the 125 years preceding the war. The gold imports in the past 5 years aggregated $1,823,000,000 and the gold exports $785,000,000, making the net importation of gold in the 5 years $1,038,000,000. The excess of exports of merchandise in the same 5-year period was $13,963,000,000, this difference between net exports of merchandise and net imports of gold being largely offset by the Government's credits of $10,000,000,000 to our European Allies.

GASOLINE PRICES

No General Changes Although Stocks Have Been Piling Up

NEW YORK.—Aside from a readjustment in the Middle West resulting in a reduction of 2 cents a gallon, made by the Standard Oil Co. of Indiana and the Texas Co. early in July, no recent changes have occurred in gasoline prices. The output in May by refineries in the United States amounted to 354,000,000 gallons, an increase of 11% over April; on the other hand, exports decreased 50% according to the figures for May, and stocks have been piling up, so that refiners look for an increase in domestic needs to take care of their surplus, which will doubtless occur judging from automobile registrations.

WHEAT CONTROL IS NOT REGARDED AS PRACTICABLE

Millers Add Protests to Those of Western Farmers

HANDLING THE GRAIN

Those Who Know the Business Can See Many Practical Difficulties for Government to Overcome.

By J. L. RUTLEDGE,
Editor "Canadian Grocer"

There is a good deal of interest in milling circles over the probable personnel of the Canadian Wheat Board, who will administer the operations of the wheat and milling industries during the coming season, under the authority of the Order-in-Council. On the personnel of this committee of probably nine members depends the question of whether the milling industry will look with favor on the terms of the Order-in-Council or no.

As far as the setting of a price or percentage of profit on flour is concerned, it is generally believed that if the board is carefully chosen, there is little chance of conditions being materially different from those in operation during the past year. The basis of price fixing operated very fairly as far as the mills were concerned, and there is no likelihood that somewhat similar action would be opposed by the milling interest concerned.

Not a Feasible Proposition

On the other hand the millers are inclined to look on the proposition of setting a minimum price to be paid at the time of delivery of wheat, augmented by participating coupons that will entitle the holder to a proportionate share in the profits, as anything but practicable. Unless the Government has some method of operating this provision that is not outlined in the Order-in-Council, that is at once feasible and economical, those conversant with the conditions of marketing wheat in the rush season, are inclined to believe that this proposition is entirely impracticable.

To begin with there is the feeling that has already made itself very manifest, that the setting of a minimum price is not dealing fairly with the grower. Despite the assurance of the Premier that the price of wheat has not been set, the grower is inclined to look upon a minimum price as an actual price. They are indeed inclined to view any payment that falls below the $2.26 figure set by the United States Government as an infringement of their rights.

Whatever the abstract merits of the proposition, outlined in the Order-in-Council may be, there is a feeling, that given conditions as they exist this scheme of future participation in profits is absolutely impracticable. In many instances, as one milling authority pointed out, the Western grain growers are of foreign birth, and in many instances men of no education. It will be very difficult indeed to convince such men, he contends, that they are being fairly dealt with when they are paid $1.75, and a certificate of future payment, which means nothing to them, on delivery of their wheat. This is one difficulty, the difficulty of making the parties most directly interested understand a system so foreign to the accepted method of purchase.

Difficulties of Operation

Even leaving this difficulty aside, however, there are the actual difficulties of administration that seem to be almost overwhelming. During the wheat season, one milling official states, the checks for wheat received at a single elevator would mount up into the hundreds in a single day. It is not hard, therefore, to imagine, the fabulous number of these checks that would be turned in at the thirty seven hundred elevators in the West during the wheat season. Yet under the proposed system each one of these would be a separate transaction, and the profits less the handling and disposal charges would have to be apportioned on each transaction. It is not difficult to imagine, therefore, that the cost of the machinery for administering this work, which according to the terms of the order, is to be a first charge on the profits, might very well wipe these profits out of existence.

There is a general feeling, that Canada, situated as she is, so close to the United States with its prospective billion bushel crop, cannot hope to stand out against the price set in that country, and that there will be no satisfactory arrangement that does not give the Canadian grower a price for his wheat that closely approximates that across the line.

It is contended that the great problem is one of financing the crop, and that this is a problem that the Government has to face. It is not a question of finding a market, granting an ability to finance exports of wheat, there will be a demand more than equal to taking care of every bushel of wheat that Canada may be able to export.

WILL FORM PUBLIC UTILITIES ASSOCIATION

Canadian Organization Will Protect Interests of Public Utilities Generally

Plans, it is understood, have been launched for the formation of the Canadian Public Utilities Association, with branches in Toronto, Ottawa, Montreal, Winnipeg, Halifax and Vancouver. The purpose of the organization will be to protect the interests of public utilities generally, including light, heat, power and transportation companies and their holdings. This organization is the outgrowth of the changes that have occurred in the field of public utilities since the beginning of the war, and particularly since the period of readjustment following the war.

It has been felt for some that an organization of this kind, taking in all public utilities, is necessary to properly protect the many interests involved and particularly to safeguard the holdings of thousands of security holders in these utilities. While there are at present various organizations representing some specific utility or group of utilities, there is no one organization that covers them all, nor is any one of them at present equipped to carry out the plans that the new organization has in view. The movement received added impetus at the convention of the Canadian Electrical Association at the Thousand Islands a few weeks ago, and it is believed that by early fall the new organization will be perfected and ready for the important work that is waiting to be undertaken.

LAND PRICES HIGH IN CITY OF HALIFAX

Abnormal Values Are Said to Be Preventing Industrial Development

That land prices are abnormally high in the city of Halifax, and that the same are preventing a big industrial development, is the contention of well-informed opinion in close touch with the situation. Negotiations have been underway in connection with the turnover of several valuable properties there. A big public warehouse is one of the new enterprises that is being considered. It is known that a large outside manufacturing concern contemplates establishing a warehouse in Halifax for its own goods. Another concern has been making inquiries regarding a factory location in Halifax, but when a suitable site was found, the price asked was so high that the company's attention was turned to Dartmouth.

Frank Reardon has purchased the large Taylor boot factory building and also property adjoining. On the latter he is erecting a brick building, fronting about 90 feet. This, with the basement of the factory, he will utilize as work and warerooms for his own business.

NEWSPRINT PRICES

End of Government Regulation Not to Mean Reduction

NEW YORK.—According to the Wall Street Journal, manufacturers of newsprint do not look for any reduction in the price of their product when Government regulation of prices cease. On the contrary, they maintain quotations higher than present figures will prevail for some time to come. It is their contention that until the readjustment of the industry to a normal basis is well under way and production costs are lowered, particularly labor, prices will remain high.

Under the terms of the agreement signed by practically all the large newsprint manufacturers of this country with the Attorney-General, regulation of prices of their product by the Federal Trade Commission was to continue until three months after the ending of the war. It was also stipulated that the output of these companies was to be sold in the United States. Government regulation ceases about October 1 next. Present price for newsjrint in carloads established by the Trade Comimssion is $3.75 a hundred pounds.

One of the larger New York city daily papers recently paid $4.25 a hundred when its own supply proved inadequate, and as high as $4.50 is now being paid for newsprint bought in the open market purchased from manufacturers who did not sign the agreement with the Government.

WESTERN BUDGET SUPPORTERS ON THE TARIFF VOTE

No Advantage at Time in Voting Against the Government

HALF-A-LOAF POLICY

Substantial Concessions Have Been Secured for the Farmers and a Thorough Inquiry Promised

Supporters of the White budget from the Western provinces have issued from Ottawa a statement which is generally accepted both West and East as an authentic outline of their position. It holds a peculiar interest in relation to the tariff controversy, particularly in view of the attitude of Western Grain Growers' towards R. C. Henders, who has recently resigned the presidency of the Manitoba Association because of feelings aroused by his budget vote.

While we do not take second place to any citizen of the West in our desire and determination to exert every effort to free the West from all duties that have long borne heavily on the Prairie Provinces, under the circumstances which prevailed when the budget was introduced we were unable to see that any advantage for our Western country could be secured by voting, at this juncture, against the tariff proposals of the Government.

Whilst these proposals fall short of meeting the needs and demands of the people of the Prairie Provinces they still go a considerable distance in that direction, especially when it is remembered that the tariff on implements required by the farmers is, including the war tax of seven-and-a-half per cent., reduced by an average amount of 11 or 12 per cent. When it is recalled that the duty on binders is now 12½ per cent., and that tractors are free, it will be realized that the position of the Western farmer is vastly improved in this regard. Taking the estimate that has been made that the reductions in this year's budget will lift a burden of fifteen millions from the shoulders of the Western settlers, the very substantial nature of the revision will be realized, and will accentuate the wisdom and prudence of our action in declining to reject the half loaf.

Government's Main Duty

We could not reject that offer in view of the Government's declaration that a thorough enquiry would be conducted in a few months throughout the West and a complete revision made at the following session in conformity with the information secured during that enquiry.

When we reached the capital at the opening of the session we discovered that the Government, holding the view that the war and the questions arising out of it were still paramount and absorbing, had no intention of changing the tariff this year. It was because of the persistent and strenuous representations of the Western members, who organized a special caucus for the purpose, that the tariff burdens carried by the settlers should be lightened at the earliest possible time and the Government finally yielded and conceded to the reductions which appear in this year's budget.

For many weeks before the introduction of the budget the Western representatives co-operated in constantly pressing upon the Government the necessity of meeting the desires of the West in regard to duties affecting the life of the people. To our representations it was urged upon us that, in addition to the present being a war year, the financial demands were so enormous, the vital questions up for solution so urgent that it was impossible for the Government to make such an intelligent tariff revision, in the time at its disposal, as would satisfy the country. The Peace Conference was still in session; the economic conference of the nations had not been held, and the whole fiscal question of the peoples interested in the war was in such a state of chaos that our Government was not in a position to intelligently deal with the fiscal situation.

If the Tariff Was Left

As it developed during the budget debate, even Mr. Crerar, who had resigned, had intimated his willingness to remain in the Government if the tariff was left untouched for the present, and, as many others in responsible positions shared the same view, after carefully canvassing the whole situation we came to the conclusion that, under the circumstances detailed, we, as representatives of prairie constituencies, could not be accused of sacrificing the interests of the West to the slightest extent by accepting the very substantial reductions, which, being made in the present budget, gave the relief indicated a year ahead of the implied promise when the scientific revision occurs next year.

Apart from the foregoing conclusions our decision to support the Government could logically and excusably be based upon the fact that the present is a war Government, elected by an overwhelming vote of the Canadian people to employ all the resources of the country in support of the gallant Canadian troops at the front in order that the war might be won.

The argument put forward in the House by the Government, and the majority of its supporters, that the great task had not yet been accomplished and would not be until the demobilization of our wonderful army had been concluded, and at least some of the most pressing problems connected with the reabsorption of our soldiery into civil life of the country had been achieved, irresistbly appealed to our judgment and was a deciding influence in our action on the budget. We cannot help thinking that all thoughtful citizens who will give the consideration that we endeavored to give to the situation would have reached the same conclusions that we did.

General Tariff Reduction

And now a word as to our own immediate duty and the duty of the settlers of western Canada as well. It is announced that tariff enquiry will begin at an early date. All important points in the West will be visited and evidence taken. It is of the highest importance that all public bodies interested, and especially farmers' organizations, should begin with the least possible delay to prepare such a case in favor of tariff relief for the West as will be irresistible. We have reason to believe that the Government is anxious to make such a revision as will remove the unrest and conviction that have long existed among the farmers that they never received fair fiscal treatment.

The additional knowledge that the Government and the people of Eastern Canada possess that unless a satisfactory understanding can be reached on tariff matters the strain which the federal union has long experienced because of the fiscal estrangement, which might become so tense as to endanger the federal pact, cannot, we think, fail to exercise an important bearing in the decision of the Government, when, after the enquiry is made, the tariff is finally adjusted.

Under all the circumstances we, as representatives of Western constituencies, cannot too strongly reiterate the advice that, when the enquiry is being held, no stone should be left unturned on the part of the Western settlers to see that all information which would have a bearing to influence tariff justice should be urgently presented to the board of enquiry.

REGISTRATION OF EASTERN COMPANIES

Some Sixty Concerns With Capital of $7,700,000 Have Been Incorporated Recently

By Special Representative.

HALIFAX.—The registration of incorporated companies at Halifax, under the Nova Scotia Companies Act, has been active during the past three months. During that time there have been incorporated about 60 companies with an aggregate capital of $7,700,000. The incorporations represent all kinds of companies from a co-operative society to a mining and power concern and the capital named ranges from $5,000 to $2,250,000. A new enterprise that figures in the list is the beam trawler companies, two at least of which ask for incorporation with capital of $175,000, the Promotion trawler and the Progressive trawler respectively. Both these craft have recently gone to sea on their initial trips and their careers will be watched with interest by people generally and the fishermen in particular. It is not so long since the fishermen of Nova Scotia waited on the Government asking that the operations of trawlers be prohibited as not only unfair in the form of competition but also injurious to the fishing grounds and the Government was somewhat disconcerted by the agitation that was raised. Though this is not so very long ago, it has in effect become ancient history because the march of events has been so rapid that the fishermen who would now object to the trawler would be the most complete anachronism of the day. One of the companies incorporated in the period mentioned is the National Fish Company with a capital of $2,000,000, and of which Arthur Boutilier is the president and moving spirit. He is believed to be making a great success of the enterprise and has at least one trawler operating in the English fishery to Grimsby. The Government draws a considerable revenue from the registration of companies, the fees running from a minimum of $40 for a company with a capital that does not exceed $5,000 and graduated so as to cover the company of $2,000,000 or more of capital.

City Solicitor Johnston and Property Commissioner Chisholm are engaged on the preparation of the city's application to the Dominion Railway Board for an order compelling all the steam railways running into Toronto to electrify their roads within the city limits.

SMALL RETAILER RENDERS SERVICE TO THE COMMUNITY

And the Consumer Evidently is Willing to Pay the Cost

BIG COMPANY STORES

Experiment of New York Corporation Has Been Abandoned — Public Demand and Cost of Living

Apropos of the high cost of living in the cities, now at or still near the top notch, notice should be taken of the discontinuance of an interesting experiment in company stores by the Interborough Rapid Transit Co., of New York, which was brought to a close about the first of this year. There was a time when it was common practice for industrial corporations, particularly in rural communities, to operate company stores as a source of profit, but the Interborough, which operates the principal street railways of New York, did not establish its grocery stores for that purpose. Having regard for the rising cost of food supplies the management onsidered that it would be doing a helpful thing to undertake to distribute the common articles kept in a grocery store to its employees at wholesale cost. It inaugurated the policy several years ago, locating these stores as conveniently as possible upon its lines, to serve the employees. Passes upon the lines were granted to the wives of employees, to enable them to visit the stores without cost. There was no delivery service and sales were for cash only, but at wholesale cost. The company paid the rent and upkeep of the stores and salaries of clerks, etc., and supplied the required capital without charge, so that goods could be sold strictly at wholesale cost without figuring overhead expenses. The stores were clean, well lighted and well equipped, and manned by an efficient staff of clerks. It was calculated that the savings afforded to patrons were approximately thirty per cent., and to guard against outsiders taking advantage of the bargains a card system of identification was put into effect for employees and their families.

At first the patronage of the stores was large and the experiment seemed to be a success, but gradually interest diminished and sales declined. The company was willing to bear the overhead ost involved in the investment, rent, etc., provided the sales were large enough to signify important benefits to the employees, but finally it was concluded that this was no longer the case. The stocks accordingly were sold out and the business closed up.

The experiment seems to show that the small grocery stores scattered throughout the city serve the consuming population to its satisfaction better than any system of central markets can do. The small store system is criticised as uneconomical and costly, but apparently the consumer is willing to pay the cost for the service which is rendered.

Consumers Want the Best

A firm operating important retail markets in San Francisco explains as follows the factors of public taste in the cost of living:

> About seventy per cent. of a beef carcass is what is called "coarse" meat. This meat, while much cheaper in price, if properly cooked, is, nevertheless, very nutritious and healthful and it sells on the market for about one-half of the price of prime beef cuts. Yet, it has been a drug on the market, in San Francisco, of late on account of the very limited demand.
>
> A very good friend of mine, engaged in the retail meat and provision business, advises me that all winter long he has had great difficulty in disposing of storage eggs and storage butter, although the prices of these commodities have been about 25 per cent. or 30 per cent. below the prices of the fresh commodity.
>
> It would seem from these facts, therefore, that on account of the prosperity of the masses, they are indisposed to purchase anything but the highest priced articles. You can readily understand that this demand for these high priced articles materially increased the cost of the prime cuts of beef and fresh eggs and butter.
>
> I have had under consideration the matter of organizing a co-operative campaign, for advertising in the daily papers, the fact that coarse meats, if properly prepared, have more nutrition than prime cuts, in the hope that we will be able to reduce the price on prime cuts and increase the demand for coarse meats.

The foregoing instances which serve to illustrate the part which the individual choice of consumers plays in influencing prices, prompts further reflection as to the extent of individual responsibility for unsatisfactory conditions. It is the fashion now with those who are discontented with the situation in which they find themselves to file a general charge against the whole social organization without considering very critically their own obligations to that organization.

INCREASED EMPLOYMENT

An Improvement Indicated During Recent Weeks

OTTAWA.—Final returns for the week ending July 12th showed that 2,669 Ontario and Quebec firms, with a payroll of 364,432 persons, had increased their staffs by 3,596 persons, or 1 per cent., and anticipated making a further net addition of 2,172 persons, or .6 per cent. during the following week.

Returns for the week ending July 19th show that this anticipated increase was realized. The 2,409 firms whose reports have been compiled had a payroll on July 19th of 337,038, an actual increase during the week of 1,048 persons or .3 per cent. These identical establishments, moreover, during the week ending July 26th expected to make a further net addition to their staffs of 1,041 persons or 3 per cent.

B. C. IMPORTS GAIN

Food Products Imported During 1918 Show an Increase of 10.7 Per Cent.

Owing to the spring of 1918 being later than average and the scarcity of labor, the volume of agricultural production only slightly exceeded that of the previous year, states A. B. Tweddle, statistician of the Department of Agriculture, British Columbia, in his report of the agricultural production in the Province for 1918, to the Hon. E. D. Barrow, Minister of Agriculture. Prices realized, however, were such as to result in an increase in the total value of 31.28 per cent. over 1917. The outstanding increases occurred in meats, fruits, and fodders.

Total imports of food products during 1918 show an increase of 10.7 per cent. over the previous year due to high prices.

Whilst figures are not available showing exports, the total value is estimated to have been $5,000,000, consisting chiefly of fruits and vegetables. The total production of all fruits in 1918 shows an increase of only 0.7 per cent. over 1917, yet the greatly increased prices realized throughout resulted in a total value 52.99 per cent. greater than 1917, and 331.9 per cent. since 1913. The quantity in the same period shows an increase of 188.5 per cent.

PROMPT ATTENTION MEXICAN SITUATION

Protection to be Provided for Interests of Investors in Unsettled South

NEW YORK.—Although very little is being given out from the departments at Washington with reference to the Mexican situation, it is apparent that our position on the border is being carefully strengthened, say Knauth-Nachod & Kuhne in their review of financial conditions.

This, together with the strictly unofficial, but more or less direct, information (from those in position to know the facts) that President Wilson has given definite assurances to France and England that the Mexican situation will receive prompt attention, holds out promise that the Administration will shortly come forward with a definite policy in regard to protection of the interests of all countries in Mexico.

A definite policy on the part of our Government is likely to have immediate and salutary effect. There is no reason to suppose armed intervention will be necessary, but the quiet preparations being made by all departments of the Government whic would be called upon for service in case of trouble with Mexico, indicate the determination of our Government to be prepared to cope with any situation that may arise.

Interest of Great Britain and France

Great Britain with its estimated $700,000,000 cash investments in Mexico, and France with her $300,000,000, would appear to be justified in pointing out to our State Department, as they are reported to have done, that they expect the United States to preserve order in Mexico and furnish to their nations the protection which the Monroe doctrine seems to prevent their own Governments from giving.

On every side evidence is accumulating that a definite policy of this Government in respect to Mexico is about to be born. There are many significant indications that the ground for action is being carefully prepared in this country. Those French and English investors in Mexican Government bonds, in railroad bonds, in tramways and mines, oil companies, etc., demand protection and their Governments will insist that they get it. American investors can get no less.

The Columbia Trust Co. has been appointed by the United States Railroad Administration to be trustee to hold title to a large amount of new railroad equipment pending the delivery of this equipment to the various railroads, or the adjustment of the various questions respecting its allocation.

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CANADIAN MACHINERY
MANUFACTURING NEWS

MUNICIPALITIES AFFECTED BY THE HINCKS EXPLOITS

Dr. Clark Gives Some Details of High Financing in Fifties

DANGERS OF TO-DAY

Present Tendency in Public Morale is the Sowing of the Wind, Which Will Reap the Whirlwind

In last week's issue Dr. J. Murray Clark recalled interestingly the exploits in municipal finance in Upper Canada in the fifties when Sir Francis Hincks led a popular but unsound movement which culminated in a collapse of municipal credit, involving a loss of some $13,000,000. *It is not difficult to find a parallel here with certain phases of Sir Adam Beck's projects to-day. Believing that sooner or later the present dangerous tendency in the treatment of private rights will end in reaping the whirlwind,* THE FINANCIAL POST *here publishes Dr. Clark's details of how some municipalities were actually affected by the Hincks operations.*

In Hamilton the demagogues of the day won, though the borrowing was not from the Government but from British investors. In less than ten years Hamilton made default, and could not pay the coupons which matured on July 1, 1861. This, it will be observed, is less than ten years after the by-laws authorizing the expenditures were carried with great enthusiasm.

The municipal authorities of Hamilton requested the Government of the Province of Canada, which then included what is now Quebec, to come to the rescue, and to save the credit of the country. The interest was paid by the Government of the day. On the 6th March, 1893, the Dominion, as the successor of the late Province of Canada, filed a claim before the Board of Arbitrators appointed to deal with the accounts as between Ontario, Quebec, and the Dominion, arising out of Confederation; Ontario acknowledged liability for the amount which a few years later was paid by this province, nearly half a century after the folly of the fifties.

There were further defaults, judgments were recorded against the corporation, and in 1863 Hamilton was in the hands of the sheriff. The levying of a rate to pay its creditors was delayed by the zealous city clerk who took the books, assessment rolls, etc., to White Sulphur Springs (now Clifton Springs), in the State of New York, beyond the jurisdiction of the Canadian courts.

Getting Out of the Woods

The time so secured was wisely utilized by the able city solicitor, Mr. Burton, afterwards Mr. Justice Burton, who negotiated a compromise with its creditors, afterwards embodied in the City of Hamilton Debenture Act, 1864, 27-28 Vic., Chap. 72, assented to on June 30, 1864. This statute, passed by the Parliament of the late Province of Canada, recited a petition of Hamilton, representing that the city had issued debentures for £104,600 sterling, and £91,470 currency, in all nearly a million dollars for various objects, "which for various causes have proved to be unremunerative"; also debentures for about another million dollars for waterworks (substantially constructed under the direction of the late T. C. Keefer) and for "other local improvements from none of which is any adequate return at present received." The Petition of Hamilton stated that there were "considerable arrears of interest," "judgments," "much litigation," and that "the finances of the corporation have consequently become embarrassed."

The statute authorized debentures payable in 30 years (1894) at a reduced rate of interest (gradually, however, to be increased) which the creditors, or at least a majority of them, were waiting to accept.

By the City of Hamilton Debenture Act of 1893, 56 Vic. chap. 65, the city of Hamilton was authorized to renew some of these debentures for a further period of 40 years, i.e., until April, 1934.

An elaborate report on the municipal loan fund, prepared by the Hon. E. B. Wood, was presented to the Ontario Legislature and printed as sessional paper No. 8, of 35 Vic. 1871-2, and the details of the scheme by which the Fund was wound up appeared in the sessional papers of 1874, No. 21.

Woodstock and St. Catharines

The town of Woodstock, which borrowed $100,000. The authoritative comment made about twenty years after, in regard to Woodstock was: "Its investment became an entire loss and the work in aid of which the stock was taken has been abandoned and there is no probability it will ever be revived. The company is hopelessly insolvent and the whole undertaking has collapsed, never to be revived."

The loss was assumed by the province and the debt of Woodstock cancelled by the Municipal Loan Fund Act.

St. Catharines borrowed more heavily. Only part of its indebtedness was cancelled and the municipality had to pay the balance of $160,571.52. The municipality loaned $166,000 of borrowed money to six local companies. In the official return it is stated as to four of these: "No revenue derived and stock worthless." As to the fifth, the record is "Road sold by sheriff in 1862." All these enterprises, which ended in disaster, had been, only ten years before, confidently commended to the electors by those who guided the destinies of the municipality and boasted of their devotion to the interests of the people.

Toronto's Good Management

Toronto did not borrow from the municipal loan fund. On inquiring as to the reason for this good fortune, I find that in 1852 Mr. John George Bowes, a successful wholesale merchant, was Mayor of Toronto. Indeed, for many years thereafter the municipal affairs of Toronto were directed by men of high reputation and large calibre, who each had made a success of his own business. The list of the Mayors of Toronto during those years included John Beverly Robinson, George William Allan, William Henry Boulton, Oliver Mowat and Wm. Barclay McMurrich, who each did his part in laying deep and true the foundations of Toronto's prosperity and greatness.

Burdens on the People

It is well to emphasize that, as in the case of the municipal loan fund, the grievous burden caused by such waste is largely borne by the small property owners and by consumers in general. Very few benefit by the waste of public money, but whether they realize it or not, the mass of the people ultimately pay and then wonder why the cost of living is so high. The cost of living must, of necessity, become higher and higher until the prevailing waste and extravagance are replaced by thrift and economy, the excessive exodus from the farm to the city checked, indeed superseded by a considerable movement from the city to the farm, and production, especially of foodstuffs, greatly increased. Sooner or later the majority of the people will discover that the plans of the agitators to throw the heavy burden of taxation on others are futile. We shall all, sooner or later, if not by logic then by stern experience, learn that if we sow the wind we shall reap the whirlwind.

CANADIAN CAR.

The market for Canadian Car common has continued weak recently with prices down as low as 36½, from which there was some recovery. In July the low was 38½ and the high 43½. Car preferred has also shown an easier tendency, being quoted as low as 96.

DOMINION TEXTILE

Dominion Textile common has been easier in the recent trading, selling down as low as 116½ compared with a low of 120 last week. The high for July was 125¾. The preferred has been steady at 105½.

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A STORM OF QUESTIONS

400 Shareholders and Creditors in Massey Hall Consider Future of Defunct Company

The liquidation of the assets of the defunct Standard Reliance Mortgage Corporation as suggested by the liquidator, G. T. Clarkson, was approved by a 98 per cent. vote, at a meeting of the creditors and shareholders held during the week in Massey Hall. About 400 were present, and the whole tenor of the speeches made was to the effect that whoever had been responsible for the failure, should be made to suffer. It was argued that a full investigation should be held, and anyone found guilty of misusing or diverting funds of the company should be proceeded against, and any money recoverable from them should be gone after right away.

J. A. C. Cameron, Master-in-Chambers at Osgoode Hall, and official referee appointed by the court in the case, explained that the assets of the company were to be handed over to the new company, but that some would not be handed over, because they were not sure yet that they were assets. By this he meant money that might be recovered from directors or officials of the Standard Reliance Mortgage Corporation. "We think we have claims against certain directors and officials for malfeasance in office, but this awaits the investigation, which takes place after the full report of the official liquidator is put in," he added. "If anything is proved against these unnamed parties, action will be taken against them in the courts."

Scheme of Liquidation

G. T. Clarkson, liquidator for the defunct company, explained the scheme of liquidating the assets. The impression existing that the Standard Reliance Assets, Limited, would continue in the loan and mortgage business was incorrect. This company was merely to be formed in order to gradually realize on the assets at the highest price obtainable in order to avoid throwing the old company into liquidation through the courts, in which case much of the real estate controlled through the ill-omened Dovercourt Land, Building and Savings Company would go at a sacrifice. He outlined the history of the Standard Reliance Mortgage Corporation through the various amalgamations, commencing with the joining of the Standard and Reliance Loan Companies. The company, in 1914, had a surplus of $1,400,000, but lost about $1,250,000 of this from that up to the time of liquidation. This nearly wiped out the surplus, and the Lawrence Park sale, which cut an additional $925,000 off the assets of the company, was the final straw. Mr. Clarkson emphasized the fact that a thorough investigation into the legal aspect of the case would be made.

Toronto Deposits Light

Questions were asked concerning deposit withdrawals, it being pointed out by a creditor that Toronto branches had only $21,000 on deposit when the crash came, while Chatham had $506,000. He wanted to know if Toronto depositors had information enough to cause them to withdraw their deposits between June 2 and June 18. Mr. Clarkson stated that Toronto deposits were light at all times compared with outside places. Questions were also asked concerning loans that had been made by the company to the directors. The information in this respect was that a small personal loan had been made to the late Herbert Waddington, but that loans had been made to companies with which directors of the late company were affiliated. In one of these companies the size of the loan ran to about $500,000. "There is a substantial loan to Mr. Dinnick by way of overdraft," Mr. Clarkson stated. "The other overdrafts are to subsidiary companies. There are loans of $500,000 to companies in which part officers and directors in this company are interested."

Taxes on Properties

Col. W. N. Ponton, of Belleville, asked whether an estimate had been made of the amount it would take to carry the properties in taxes. He was informed that the Toronto properties could carry themselves. He suggested that Mr. Clarkson be appointed permanent liquidator, and it was also decided to put the question of liquidation at once through a winding up order or reorganization to the meeting. This resulted in a 98 per cent. vote favorable to the scheme, as outlined by the liquidator. A recommendation was also added that returned soldiers and their dependents having $100.00, or less, on deposit, be paid as early as possible.

Mr. Clarkson explained that he would be under the direction of the new company directors, and that all business transacted would also be done under the eye of the official referee. The three would direct the liquidating company.

Directors' Holdings

The following is the list of directors of the Standard Reliance, and the number of shares held by them, as presented by Mr. Clarkson to the meeting: R. H. Stevens, 40; R. H. Green, 80; D. Kemp, 20; S. G. McNally, 211; S. Ratz, 24; H. Waddington (dead), 125; Jas. Green (dead), 20; W. S. Mowett, 20; Rev. G. S. Taylor (dead), 21; John Firstbrook, 100; G. Grant, 20; F. C. L. Jones, 40.

WILL THE COMPANY GET THE FINES?

Quebec Statute is Disputed in Montreal Light, Heat & Power Action.

MONTREAL. — The Provincial statute, in the Province of Quebec, making it a criminal offence to tap the electric meters of the Royal Electric Company, now controlled by the Montreal Light, Heat, and Power Co., was this week attacked as unconstitutional and ultra vires. The contention rose out of the action against Max Rosenbloom, 924 St. Catherine Street, who was charged with stealing electric current for lighting and heating iron in a small tailor shop.

Following the evidence, Louis Fitch for the defendant asked the dismissal of the action for several reasons, the principal one being that the statute on which the action was based was unconstitutional and ultra vires. Mr. Fitch claimed that the action was based on a statute dating from 1898, incorporating the Royal Electric Company, in which the provincial legislature made it a criminal offence to tamper with the company's meters. which offence was punishable with $100 fine and costs, $4 per day for the whole duration of the offence and three times the value of power stolen, all payable to the company. The point raised by the lawyer was that, owing to that statute, the company, which is now merged in the Montreal Light, Heat and Power, was interested in power being stolen as it was getting profits out of it. Besides getting the fine of $4 a day and three times the value of the current stolen, it was getting also the fine and, claimed Mr. Fitch, it was the only instance where an individual—an incorporated company being considered as an individual in the eyes of the law—was getting the benefit of the fine paid to the King.

He said that the principle of criminal law was that the King or State was the complainant, and, in criminal cases, the interests of complainant were viewed as the interests of Justice. In this instance they were those of the complainant company. When dealing with criminal matters, fine must go to the Crown. The proof of this was that, an accused, when found guilty and failing to pay the fine, was sent to jail. There were no cases, said the counsel for the defence, where fines were allowed to go to individuals, except in such matters as liquor cases, infringements to fish and game laws, or inland revenue laws.

Judge Leet, who heard arguments, deferred judgment.

A BUILDING BOOM

American Financial and Industrial Leaders Optimistic

Financial and industrial leaders are predicting the biggest building boom in history to follow not long after the signing of the peace treaty and the actual declaration of peace. They hold that pressure behind the resumption of all activities on a peace-time basis is such that many of the former causes for hesitation have disappeared and are becoming more and more convinced that the one great move to restore confidence and start business and industry in volume is the finish of the greatest world's war.

Building material manufacturers, jobbers and dealers report business gaining impetus with the passing of each week. There is now a brisk buying movement in lumber on the part of dealers. Brick is moving from the yards in heavy volume, with manufacturers talking higher prices and shortage in the supply.

Building permits are being issued in increased number, and there is activity in all sections of the country, mostly small homes and remodelling.

Prices are holding firm in all markets with a tendency for an upward trend in lumber and brick to the consuming trade.—The American Architect.

CARRIAGE FACTORIES

There has been some interest of late in Carriage Factories preferred with sales moving up from 46 to 56 on a small volume of business. This stock has been a dead issue for months.

NESBITT, THOMSON & COMPANY
Limited

INVESTMENT BANKERS

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Mercantile Trust Bldg. HAMILTON, Ont.

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$100,000 Syndicate being formed to acquire developed oil properties now showing returns in excess of $72,000 annually from settled oil production. This return can be materially increased without further investment. Total profit on transaction will exceed 100%. $25,000 has been pledged. Require additional members with $5,000 to $10,000. Not necessary to furnish cash for 30 to 60 days. Dealings in strict confidence and with principals only. Interview by arrangement.

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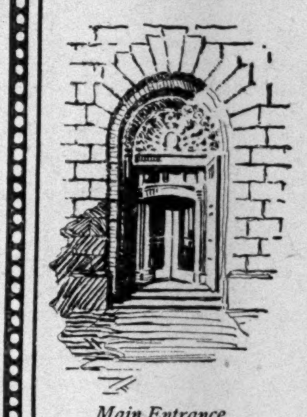

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ONTARIO

$3,000,000

Province of Ontario

5-Year, 5½ Per Cent. Gold Bonds

SEALED tenders, endorsed "Tenders for Province of Ontario Bonds," addressed to the undersigned, will be received for the purchase of $3,000,000 (Three Million Dollars) five-year, gold bonds of the above Province, dated 15th August, 1919, due 15th August, 1924, bearing interest at the rate of five and one-half per centum per annum, payable half yearly on 15th August and 15th February. Principal and interest payable in gold at the office of the Treasurer of Ontario, Toronto, or at the Bank of Montreal, Montreal, Canada, or at the agency of the Bank of Montreal in the City of New York, U.S.A., at the option of the holder.

Bonds to be in the denomination of $1,000 each, with coupons attached, and may be registered as to principal only.

Payment for bonds to be made at the office of the Treasurer of Ontario at the Parliament Buildings, Toronto, as follows: $1,000,000 on or before the 15th August, 1919; the balance with accrued interest less the amount of the deposit to be paid on or before the 26th August, 1919. Interim certificates will be supplied on payment of the money, to be exchanged for the definitive bonds on completion by the engravers.

Tenders to be addressed to the Hon. T. W. McGarry, Treasurer of Ontario, Parliament Buildings, Toronto, and delivered not later than 12 o'clock noon on Monday the 11th day of August, 1919.

Tenders must be for the whole amount offered and must be accompanied by marked cheque for $100,000 to be applied in the case of the successful tenderer on the final payment for bonds.

The highest or any bid not necessarily accepted.

T. W. McGARRY,
Toronto, July 29th, 1919. Treasurer of Ontario.

GREGORY TIRE COMPANY WILL BUILD ON COAST

Pacific Trade an Attraction as Well as Local Demand

AS TO RAW MATERIAL

Eighty Per Cent. of All Rubber Used in Canada is Said to Come Through Port of Vancouver

By Special Representative.

VANCOUVER. — Of considerable importance to the industrial life of Vancouver is the announcement made in Vancouver this week of the intention of the Gregory Tire and Rubber Co., a provincial company with a capitalization of $1,500,000, to start work almost at once on the initial unit of a plant which, when running at full capacity, will turn out six hundred tires and a thousand inner tubes a day. The company is headed by J. A. Cunningham, ex-president of the Board of Trade, managing director of the B. C. Refining Co., and vice-president of the Vulcan Iron Works of this city. The company will manufacture rubber by a special process, the patentee of which is Morton Gregory, of Tacoma. Heads of the various manufacturing departments will be experienced operators who had their training in the home of the rubber industry in the United States, Akron, Ohio.

The factory will be built on a two-and-a-half acre piece of land located at East Collingwood, in South Vancouver, which municipality has granted free taxes and water at cost for a term of ten years. In speaking with the POST, Mr. Cunningham stated that the annual consumption of tires in the West amounted to at least $20,000,000 per year, of which the coast province contributed $7,000,000 and Vanouver $4,000,000. He pointed out further that the daily prodution of new automobiles in the United States was 15,000, and that factories in the States were able to keep up with only 75 per cent. of their tire orders.

He also pointed out that Vancouver is the chief port of entry for eighty per cent. of all the rubber used in Canada, and for the entire tonnage of crude rubber which originates at Singapore. The installation of a manufacturing plant on the coast would do away with eleven per cent. of the ultimate cost to the consumer in view of the five and a half per cent. freight rate both ways. In addition B. C. manufacturers have the preference of a 35 per cent. duty and 7½ per cent. war tax over the American manufacturer as the rubber enters Canada duty free. This, it is claimed, would enable the local interests to start under very favorable auspices.

New Zealand dealers recently in the city offered to take the entire output of the plant in view of a preferential tariff favoring Canada. It is the belief of the promoters that the industry is bound to become one of the largest in the province if the history of the business at Akron may be taken as any criterion. Stock is soon to be placed on the market and it is anticipated that no difficulty will be encountered in that direction. Stock has already been subscribed for by several prominent business men who have been approached on the subject.

Repatriated British Officer, young, capable and of good address, seeks opening with Financial or Commercial Institution.

Has had ten years' experience in financial and commercial work.

Would consider investment and junior membership.

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Business —Pleasure

SEE Canada in the making! Let your vacation take you to the land of thriving opportunity. On discovering this greater business field at your elbow, you can settle down, or invest at will, with maximum profit. A visit to such cities as Winnipeg and the Prairie towns will acquaint you with a bigger future.

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In the wide lands of Canada, thousands of happy surprises await the vacationist. Health and strength renew themselves in the invigorating atmosphere of Prince Edward Island, St. John River Valley, Muskoka. For the hunter of moose, deer or bear, there is abundant sport in Nova Scotia, Quebec, New Brunswick, New Ontario and Eastern Manitoba. Great grizzlies and nimble mountain goats draw the sure shot of the hunter in British Columbia. The fish are biting at Rainy Lakes, Nipigon, Lake of the Woods and other ideal spots.

A Vacation Planned to Meet Your Needs—Choose!

Go back to Nature or camp close to the conveniences of civilization at the Laurentides, Algonquin Park, New Ontario, Nagogami River, Jasper Park. A wonder panorama unrolls before the traveler through the Canadian Rockies. Matapedia Valley, La Baie de Chaleur, Gaspe, Cape Breton and along the ocean shore of Nova Scotia. Historic facts find old-world setting in Quebec, Montreal, Halifax and their environs. If you have only a few days, spend them joyously at Muskoka, Sparrow Lake or the Maritime Provinces.

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TRUST & LOAN PAID FIFTEEN PER CENT.

Financial Position Reviewed at Annual Meeting Held in London

At the annual meeting of the shareholders of the Trust and Loan Co. of Canada, in London, the financial statement showed a reduction of profits in the year ending March 31, from £126,892 to £110.062. Income tax provision took £8,539 and contingencies £10,000, the balance being carried to surplus and making a total available for dividend distribution of £99,877, including £8,354 brought forward from the previous year. Fred W. Stobart, who acted as chairman, in explaining the earnings statement, said:

> Comparing revenue account with last year, expenses in London and Canada have increased some £2,000, due to the increased cost of doing business all over the world. Retiring allowances are slightly larger, but considering the age of the company I do not think you will consider them unreasonable.
>
> Interest earned in Canada is down by some £6,600, due to the reduction in the amount of our mortgages in Canada, which between March, 1917, and March, 1918, were reduced by some $950,000. This reduction has been going on for some years now, but I am glad to say at last show an increase of some £22,500 as compared with a year ago.
>
> Profit on exchange is down by some £6,000. This is due to the higher quotation of the £1 sterling in the autumn of 1918, when funds were being remitted home from Canada. In connection with exchange, perhaps I might point out to you that so long as exchange is so heavily against this country the capital which we are employing in Canada is worth, so far as paying liabilities in England is concerned, considerably more than its face value, and, of course, as you know, the bulk of our assets are in Canada.

The balance sheet indicated that funds not invested in Canada were being held in a more liquid shape in order to render assistance to national finance. Mortgages in Canada increased by some £22,500, and the properties acquired by foreclosure were some £16,500 less, both being features which met with the approval of the shareholders.

The chairman stated that a plan for reorganizing the capital of the company was being considered and would be submitted to the shareholders shortly. The idea was to overcome the present conditions under which the paid up capital was divided into three classes, all being £20 shares, but some having £5 paid, and and others £3 and others again £1.

A resolution was passed providing for a dividend at the rate of 15 per cent., thus reducing the surplus to about £9,800 to be carried forward to the next year.

BRAZILIAN

The June earnings statement of the Brazilian Traction, Light and Power Company shows gross amounting to 9,369,000 milreis against 9,087,000 milreis for the same month in the previous year, an increase of 282.000 milreis. Operating expenses totalled 4.492.000 milreis, leaving net earnings at 4.877.000 milreis, which compares with 4.783.000 milreis in the previous year, an increase of 94.000 milreis. The aggregate gross earnings for the first six months of the year amounted to 53.963.000 milreis, an increase of 4.270,000 milreis, while the aggregate net earnings at 28.353.000 milreis showed a gain of 3.468.000 milreis. Following are comparative figures for the first six months of the year:

1919	Gross	Net	Net Inc.
January	8.522.000	4.283.000	587.000
February	7.972.000	3.864.000	290.000
March	9.330.000	5.013.000	1.088.000
April	9.208.000	5.006.000	1.005.000
May	9,562,000	5,217,000	675,000
June	9,369,000	[illegible]	94,000

WABASSO COTTON NOW ON AN EIGHT PER CENT. BASIS

Important Announcement Accompanies Annual Report

PROFITS WERE LOWER

An Improvement in Position is Indicated by a Big Increase in the Current Assets

MONTREAL. — Concurrently with the announcement of the placing of Wabasso Cotton shares on an 8 per cent. dividend basis, there was made available the annual statement of the company for the twelve months' period ended June 30 last. Net profits for the year are shown at $323,541, representing earnings on the $1,750,000 outstanding stock of 18.1 per cent., compared with $385,437 in last year's exhibit, or equivalent to slightly in excess of 22 per cent.

The net figures, however, are arrived at after the deduction of $100,000 for depreciation on property and plant, against $65,402 in 1918, and after allowances for discount on bonds, organization expenses and business profits war tax, separate provision for which was made a year ago after the results of the twelve months' operations were shown in full. After these extraneous deductions are made in the statement for the year ended June last, profits are shown at $477,551, compared with $515,868 in 1918 and $181,349 in 1917.

With all allowances satisfied and after dividend payments during the year, which amounted to $100.625, as compared with $43,750 in 1918, are deducted, there remained $222,916 to be carried forward to surplus, bringing the latter up to $603,263, or nearly $23,000 more than at the end of the previous year, the small increase being attributable to the fact that $200,000 had been deducted from the 1918 surplus as provision for business profits war tax.

	1919	1918	1917
Net profits ...	$323,541	$385,437	$ 61,321
Dividends	100,625	43,750	......
Balance	$222,916	$341,687	$ 61,321
Prev. balance ..	*380,347	238,659	177,337
	$603,263	$580,346	$238,659

*After provision for business profits war tax.

The financial position of the company is a comfortable one, as is indicated by the fact that current assets exceed current liabilities by $591,037, as compared with $415,875 last year, despite the inclusion among the liabilities of an item of $523,620 carried in the statement under the heading "operating expenses, accrued wages and reserve for business profits war tax for the years 1918 and 1919."

A further examination of the balance sheet discloses to a still greater degree the comfortable position into which the company has worked. Cash on hand at $106,989 is greater by upwards of $35,000 than that of a year ago, while the executive has been able to see its way clear to place the very substantial amount of $327,539 in Victory bonds and call loans, this item being a new exhibit in the statements as issued annually. Inventories of raw cotton, partly manufactured and manufactured stock, and other supplies, such as fuels and chemicals, stand at $376,549, as against $263,003 last year, an increase of upwards of $113,000, which in a time of rising costs of raw materials and other manufacturing essentials like the present should prove a profitable condition of affairs.

The Balance Sheet

Among the liabilities, accounts and bills payable show a decrease in excess of $150,000, standing at the end of the company's last year at only $54,119, indicating that the inventories referred to have been largely paid for. The reserve for business profits war tax and operating expenses, already referred to, at $523,620, is, for purposes of comparison, placed against one of $43,147 contained in last year's statement. As pointed out, last year's figures include operating expenses, accrued wages, etc., but not the war tax on profits, as is the case in this year's exhibit.

STREET RAILWAY AWARD

Neither City Nor Men View With Satisfaction Board of Conciliation

There appears to be little satisfaction with the finding of the Board of Conciliation in the Toronto Street Railway dispute. The city does not like the suggestion of Judge Barron in regard to the straight five cent fare, and the men state that nothing has been granted them other than the wage increase as contained in the interim award, and to which the company did not give its hearty approval. The City Board of Control is emphatic in their declaration that the company must not raise its fares to straight five cents.

The finding, apart from confirming the interim award as regards wage increases for the men, goes on to state that the Board of Conciliation is unanimous in its opinion, based upon the evidence, that an increase in the rate of fares as mentioned in the interim report, should be brought about. It also states that Toronto enjoys the lowest fares on the continent. The award sweeps aside the city's objection to the increased fares on the ground of the agreement by stating that other cities also had agreements, yet raised fares, and states that the board, with the exception of H. J. Hevey, representing the men, would not have suggested the increased wages had it not thought that the fares would be raised.

MARITIME PHONE RATES

Monthly Statement for Benefit of General Public

HALIFAX.—As a result of a protest from the Halifax Board of Trade, filed with the Board of Public Utilities, the Maritime Telephone and Telegraph Company will furnish a monthly statement which will be open to the public. If it is found that the new telephone rates will give a return on the appraised value of the assets of the company at a greater rate than 8 per cent., which is the maximum as a public utility, the company can earn, there will be a readjustment of the new rates. This will be done so as to decrease the cost of the telephone.

Yesterday afternoon the Council of the Board of Trade had a conference with J. H. Winsfield, manager of the company, and it was explained that the revenue under the increased rates is problematical, and it is estimated that they all give somewhere in the neighborhood of $155,000 throughout the province. It was stated by Mr. Winsfield that the increases to the employees of the company, which now number over a thousand, in the past three years had amounted to $210,000.

NATIONAL STEEL CAR

The market for National Steel Car common slumped this week to 6½ as compared with 9 a fortnight ago. This stock sold up to 14½ in February on the strength of reports of amalgamation with American Car and Foundry.

CHANGES DURING THE WEEK

	Last July 31	Sales Aug. 7	Ch'ge
Ames Holden, com.	49¼	48	— 1¼
Asbestos Corp., com...	74½	75	+ ½
B.C. Fish., com........	65	63½	— 1½
Can. Car., com........	39	38	— 1
Converters	65	64	— 1
Can. Cottons, com.....	91½	86	— 5½
Can. Locomo., pref.	93	91	— 2
Cons. Smelters	30½	30	— ½
Dom. Canners	53½	49	— 4½
Dom. Glass	60¼	58	— 2¼
Dom. Steel Corp.	65	65¼	+ ¼
Dom. Textile, com.....	120	116½	— 3½
Lyall Cons.	*83	80	— 3
Maple Leaf, com.	175½	178	+ 2½
Mont. Cottons, com. ...	70	68	— 2
Do., pref.	102½	103	+ ½
Nat. Steel Car., com...	9	6½	— 2½
N.S. Steel, com........	*90½	80	—10½
Penmans, com.	97¼	94½	— 2¾
Russell Motor, pref...	88	90	+ 2
Woods Mfg. Co.	88	95	+ 7
Atlantic Sugar, pref. .	112	114¼	+ 2¼
Nat. Breweries, com....	181½	188	+ 6½
Brompton Pulp	61¾	60	— 1¾
Laurentide Paper	215	213	— 2
Riordon Pulp, com.....	140	134	— 6
Span. River, com.	41	38½	— 2½
Do., pref.	107	104	— 3
Wayagamack	52¾	51½	— 1¼
Mont. Light, Heat	91¾	91	— ¾
Shawinigan	124½	121	— 3½

*ast previous sale.

UNLISTED SECURITIES

STOCKS—		Bid	Ask
Alberta Pac. Grain, com..		122	130
Do. pref.		89	95
Belding Paul, com.		40	45
Do., pref.		88	95
British Amer. Ass.		9	12½
Can. Machinery, com.....		20	25
Do., pref.		48	53
Can. Westinghouse		115	130
Canadian Oil, com.		46	54
Do., pref.		95	100
Can. Mortgage		67½	72
Crown Life		12½	..
Frontenac Brewing		75	83½
Carter Crume, pref......		65	72
Dom. Mfrs., pref.........		50	57
Dom. Power &Trans., com		47	55
Dunlop Tire, pref.......		95	99
Eastern Car, pref.		50	..
Home Bank		90	95
Illinois Traction, pref.....		75	78
Inter. Milling, pref......		90	93
King Edward Hotel, com.		45	55
Loew's Toronto, com.		125	140
Mississauga Golf		45	57
People's Loan		70	82
Wm. Neilson, com.		54	65
Sterling Coal, com.		15	17
Sterling Bank		100	108
Trust & Guarantee		81	86
United Cigars of Can., pfd.		1¾	2¼
Western Assurance		11	14
Whalen Pulp & Paper, com.		25	30
Volcanic Oil & Gas......		80	88
BONDS—			
American Sales Book	6s	90	94
Algoma Steel Corp.	5s	70	75
P. Burns, 1924.....	6s	100	105
P. Burns, 1931.....	5s	96	99
Can. Machinery....	6s	79	82
Collingwood Shipb'g	6s	85	90
Eastern Car	6s	92	95
Mex. North. Power	5s	11	14
Morrow Screw	5s	68	92
N. S. Steel Dbs.....	6s	87	93
Ontario Pulp	6s	101½	..
Porto Rico	5s	82	85
Sterling Coal	6s	72½	76
Stone Limited	6s	94	98
Toronto Power ...	5s	90	93
Tor. & York Radial	5s	97	99
Toronto Paper	6s	86	92
West. Can. Power...	5s	54	59

Summer Freedom

The feeling that he should superintend his property personally used to tie many a man to places where he could be constantly in touch with his interests.

Nowadays the Trust Company at the owner's request gives to his property as careful attention as the owner himself could give, leaving him free to attend to his main business or to travel, undisturbed by petty detail.

Consultation invited.

National Trust Company
Limited
Capital Paid-up, $1,500,000 Reserve, $1,600,000
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Officials of Public Companies should be relieved of all possible detail and responsibility. The Union Trust Company is authorized and organized to be of assistance in several particulars:

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2. Trustee for bond or debenture issues,
3. Transter agent and registrar of shares.

The Trust Company's appointment in any or all of these capacities will increase public confidence in any corporation and place the technical duties involved, on the shoulders of specialists. Your enquiries will be appreciated.

Union Trust Company
LIMITED
Henry F. Gooderham, President
Head Office: Corner Bay and Richmond Streets, Toronto
Winnipeg London, (Eng.)
152

Every Man Recognizes

the duty he owes to his wife and other members of his family to see that each one of them is provided for after his decease as well as before, but in many instances omits to make such arrangements as will ensure his and their affairs being properly managed after his demise. The apointment of this Company as Executor and Trustee under your will, will safeguard and relieve them of duties which might prove onerous to them. Interviews and correspondence invited.

The Canada Permanent Trust Company
Toronto St., Toronto
PAID-UP CAPITAL - - - - $1,000,000
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MARKET STILL UNCERTAIN RE STEEL'S FUTURE

Opinions Differ as to Whether Prices Will Go Higher

THE MILL SITUATION

Indications That Canadian Demand is Not Keeping Pace With That in the United States

By A. R. KENNEDY
Editor "Canadian Machinery"

Production at the Canadian steel mills is hardly keeping pace with the betterment at the U.S. mills, where business has advanced to such a stage that on certain lines the producers give notice that they are practically out of the market, being booked to capacity for some months to come. They are not particularly anxious to take on more promises of delivery as price seems to be very uncertain owing to the quickly changing conditions. Despite the fact that now is the middle of the midsummer period, almost invariably a very dull one in the steel market, trade conditions in Pittsburgh and adjacent districts are visibly improving. The volume of buying keeps up, if indeed it does not increase, and prices show a stiffening tendency. In this they reflect the heavy bookings all the mills have done. Shipping orders in July, including new orders and specifications against contracts, made a total tonnage fully double the shipments in the month. The only undesirable feature of the market situation is that the buying is poorly distributed among the products. There is too much buying of some products, more than the mills can take care of, and too little in others. Thus the lap weld departments of the pipe mills are sold up to the end of the year and are making five-month delivery promises, while the plate mills are operating at less than half capacity and the rail mills are doing practically nothing except by way of producing rails for export.

Steel mill operations are now estimated at fully 75 per cent. of capacity, based on ingots produced, or perhaps a trifle more. The output for July as a whole will probably show somewhat over 70 per cent., against 67 per cent. in June, and 54 per cent. in May, the month of lowest production.

The Matter of Prices

It is no trouble at all to start an argument in the market these days over the matter of prices. Some producers are committed to making every price advance that seems feasible, in other words, doing everything "they can get away with," while others regard it as much wiser, and likely to prove much more advantageous in the long run, to hold prices precisely where they are. More than a month ago the United States Steel Corporation, without making any formal or official statement, allowed it to become known that it was opposed to any steel price advances, this year at least, and that is still very positively the Steel Corporation attitude. It is not alone in this position, there being at least one or two large independent producers that share the view. Just why some independents are so anxious to advance prices is not made altogether clear. They can hardly believe that the steel market is capable of advancing indefinitely from the present level, and present price are certainly highly profitable to any mill that has full operation. Prices cannot be advanced in any line where there is not full operation.

DOMINION CANNERS

Opening Prices Well in Advance of Last Year

The Dominion Canners announce opening prices on several lines, at figures well in advance of last year. This advance, however, barely takes care of the added costs, and shows no additional profit. The pack of peas except in the very fine variety which is practically a failure, averages about 60 per cent. Cherries and raspberries run from 75 to 100 per cent. of a pack, while gooseberries and currents are normal. Conditions to date have been fairly satisfactory, and there is no reason to believe that the company will not end its year with a good showing.

The common stock of the company continued to be very favorable considered during the week ranging from 49⅝ to 52, with some 560 shares changing hands. The preferred sold at 90.

DULUTH-SUPERIOR

Gross earnings of the Duluth-Superior Traction Company for the last week of July totalled $52,562 against $44,564 for the corresponding period in the previous year, an increase of $7,998 or 17.9 per cent., while for the month the earnings amounted to $168,203, an increase of $26,212 or 18.5 per cent.

B. C. CANNERS

A Scarcity of Red Salmon May Be Looked For

Reports from the Pacific Coast indicate a very light run of Sockeye, so that in all probability there will be a considerable scarcity of red salmon this coming season. There is a very keen market, however, for available stocks, and unheard of prices are offering at export for all stocks available. Indications are that there will be a fair run of other grades, with a demand proportionately good, so that despite the scarcity of Sockeye, and the increasing costs of operation, the canners are in a very fair position.

This satisfactory condition is reflected in the activity of the stock of the company, of which 1,840 shares changed hands during the week. The figures were slightly off the closing figures of last week, ranging from 63 to 65.

UNCERTAINTY ABOUT DOMINION STEEL

Conflicting Reports About the Amount of Business in Hand

Conflicting reports appear regarding the amount of work, and the prospects in general, for the Steel Corporation. The trouble is that too often people who are considering investments in steel securities, want to look it over in the light of immediate possibilities. Especially is that so with the speculative buyer, in whom we have little interest. The following Sydney announcement is of interest:

"The Dominion Iron and Steel Company's plant here will be closed down shortly for several weeks for the purpose of giving the works a general overhauling. Extensive repairs will be made, it is understood, to the blast furnaces, open hearths and billet mills, necessitating a stoppage of work in nearly all departments. Most of the men will be employed at other work and at the new plate mill, work on which is being pushed vigorously." Now, such an announcement might stop the speculative, but not the investment buyer. The latter would regard the overhauling and repairing of the plant as good business and as likely to have a favorable influence on future operations. Iron has weakened in the trading this month, the decline having started about four weeks ago. Last sales were at 66¾, and not many shares were traded in at present figures. Iron is slightly better than a 9 per cent proposition, on the six per cent. basis.

NOVA SCOTIA STEEL

Docking Facilities at Halifax and Montreal Sold

An announcement of much interest to Nova Scotia Steel and Coal shareholders is the sale of large docking and coaling facilities at Montreal and Halifax.

The deal, which is of such magnitude that several millions of dollars are involved, is expected to include the sale of coaling towers, bunkers and coal supplies with equipment, which were taken over by the Government during the war. The plant played a most important part in making Halifax the main artery of all troop transport movements in Canada during the past few months. Without this plant the Olympic could not have been coaled satisfactorily. By its aid, however, this magnificent steamer has been accustomed to call and get away from the loading plant with full bunkers of 5,000 tons in three days, a performance that cannot be surpassed anywhere. The actual quantity of available coal, now being held under the authority of the Ministry of Shipping, could not be definitely ascertained, but it is understood that approximately 50,000 tons would be near the mark.

RAILROAD EARNINGS

All Three Roads Report Substantial Increases for the Week

Substantial gains are shown in the earnings of the three Canadian railroads for the last period of July as compared with the figures for the corresponding period in the previous year. The total for the week at $9,726,224 compares with $7,037,307 in the previous year, a gain of $2,688,917 or 38.2 per cent. Following are comparative figures:—

C.P.R. ..	$4,591,000	$3,801,000	+	$790,000	20.7
C.N.R. ..	2,718,148	2,241,405	+	476,743	21.2
G.T.R. ..	2,417,076	1,994,902	+	422,174	21.2
	$9,726,224	$7,037,307	+	$2,688,917	38.2

MAPLE LEAF MILLING.

The stock of the Maple Leaf Milling Company continues to reflect the general confidence felt by the public in milling stocks as a profitable investment. The confidence that this year will be another profitable year, is widespread, and the fact that the mills will be able to continue operations throughout the summer had heightened this impression. The common stock reached a new high during the week of 177¾, while the entire week's selling maintained a high level between that and a low of 175. The preferred was half a point off the high of last week, selling at 105 to 106.

HIGH COSTS OF NORTH AMERICAN PULP CO.

Were Responsible for Cutting Down Increased Gross Earnings

The annual reports of the North American Pulp and Paper Companies Trust and its subsidiary companies for the year ending December 31st last, were this week mailed to the shareholders. Sales and gross operating revenues showed an increase from $3,528,451 to $4,268,367, as compared with the previous year, but there was an increase in cost of sales and operating expenses from $2,839,097 to $3,283,199. Other income of $501,559 compared with $629,386 in 1917, making the total income $1,486,727, compared with $1,318,740 in the previous year and $808,261 in 1916.

Deductions for general expenses, sinking fund, amortization and bond and other interest were higher, with the result that net profits of $38,006 compared with $105,168. The amount referred to was carried to surplus, while in the previous year $59,536 was devoted to minority shareholders' interests and $45,601 applied to those holding the majority. Following are comparative figures:

Income Account

	1918.	1917.
Sales, gross oper. rev.	$4,268,367	$3,528,451
Cost of sales and operating exp.	3,283,199	2,839,097
	$985,168	$689,354
Other income	501,559	629,386
Total income	$1,486,727	$1,318,740
Less gen. ex., bond and other int., amt. of bond discount..	1,448,721	1,213,574
Bal. profits	$38,006	$105,165
Min. shareholders...	....	59,563
Net profits	$38,006	$45,602

The consolidated balance sheet of December 31st last shows cash in banks and on hand of $142,575, notes receivable $71,681, accounts receivable $465,109, inventories of supplies on hand $991,955, notes payable $874,878, accounts payable $1,240,128, surplus subsidiary companies $635,485, surplus North American Pulp and Paper Co., $502,002, and total assets and liabilities of $24,254,696. The various companies in the combination are: Northern American Pulp & Paper Companies Trust, La Cie de Pulpe de Chicoutimi, The St. Lawrence Pulp & Lumber Corporation, La Cie Generale du Port de Chicoutimi, La Cie du Chemin de Fer Roberval-Saguenay, The Chicoutimi Freehold Estates, Limited, La Sociétêe d'Eclairage et d'Energie Electrique du Saguenay.

GAS IS UP AGAIN

Consumers' Gas Company Increases Gross Price to $1.10 Per Thousand.

The Consumers' Gas Company has found it necessary to increase its charges, advancing the gross price to $1.10 per thousand cubic feet, the discount to be allowed for prompt paymentent to be 10 cents per thousand feet. The price will now be $1 net which is an increase of 20 cents a thousand in less than two years. Increased cost of labor, coal and transportation is given as the cause of the advance.

History of the company shows a constantly fluctuating price. It was $5 per thousand when gas was first supplied in 1841. From that figure it was decreased to $3, then to $2, $1.50, $1.25, $1.12, $1, and, in comparatively recent years, to 90 cents, 80 cents, and, finally, to 70 cents, the low level. Then the increases began again, first to 80 cents, and in April, 1918, to 90 cents. When the last increase was made, the city and company agreed Finance Commissioner Bradshaw and the City Auditor should make an investigation of the company's books. This they did, and reported that the increase was justified.

STEEL OF CANADA

Steel of Canada preferred has shown sufficient strength on several occasions lately to go to the three-figure mark, and last sales left it on the threshold at 99. In fact, since 1913 it has done better only twice. During the busy days of 1916, 107¼ was reached, and 1917 saw preferred on one occasion at 100½. Steel common has been in for a quiet session during August, the selling being confined to small volume, with the prices declining. At present prices the Steel common should pay 8.84 per cent. Business in some departments is improving.

PATON COMPANY

The granting of an increase to the weavers of the Paton Manufacturing Co. has followed negotiations which have been proceeding for some time between the employees in this department and the company. The actual percentage of increase has not been entirely worked out, being more or less complicated. "Negotiations between the weavers and the company have been going on for several days," says W. E. Paton, "for certain changes and increases in the rates of pay. The company has fully met the demands of the weavers."

MONTREAL TRAMWAYS

The annual meeting of shareholders of Montreal Tramways Company has been called for Wednesday, August 27, at noon. Transfer books close August 7 to 26th.

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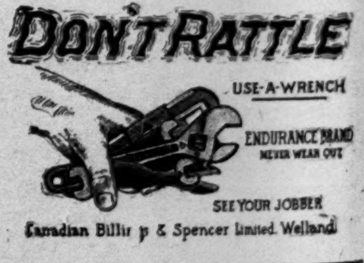

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THE INDIAN DEMAND

Question as to Whether There is Sufficient of Metal in the World to Settle Trade Balance

NEW YORK.—An endeavor to control the world price of silver is the objective behind plans for the formation of a silver export company by the three largest producers of the metal in this country, the Anaconda Copper Mining Company, the American Smelting and Refining Company and the United States Smelting and Refining Company. More than half the world's supply of silver is produced in this country, but for more than 30 years the price has been regulated by an arbitrary fixing of values by a committee of three, the "Silver Triumvirate," which held forth in London. The prices which the committee set ruled in all the world markets.

The American producers feel that in the past they have not received a price which was warranted for silver, England making the price for the metal so low that there would be a profit in the coinage of rupees for India. Silver is the only metal available for currency in that country. American silver was used to liquidate Britain's trade balances in India, and the American producer gave the metal at a price set arbitrarily by Great Britain.

It is to correct this condition that the silver export company is being seriously considered. A representative of one of the companies said yesterday, that the plan has not been perfected as there are some minor conflicting viewpoints, but all the companies agree that some step must be taken to check the domination of the silver market by the English committee.

It is probable the silver export company will be formed much along the lines of the Copper Export Association, which was organized to protect American producers against consolidated buying. The association was formed under the provisions of the Webb bill, which permits American manufacturers to combine for foreign trade

The Price Record

The price of silver was high up to 1873, when the international agreement for the demonetization of silver was formulated. In that year silver sold at more than $1.32 an ounce. It declined steadily thereafter, falling under $1 an ounce for the first time in 1886. It touched the low point of slightly less than 52 cents an ounce in 1915. Since then it has increased, until early last year it sold at approximately $1.15 an ounce.

After that the Government, by agreement with Great Britain, took control of the market and stabilized the price at about $1 an ounce. When the embargo on silver was lifted, a month ago, the price shot up rapidly to above $1.20, but subsequently reacted to the current quotation of $1.10.

India's Requirements

Whether there is enough silver in the world to meet the yearly trade balance due British India is a question now being debated in financial circles. Gillanders, Arbuthnot & Co., Ltd., bankers, Calcutta, point out that the balance of the trade in favor of India was formerly adjusted by the payment of gold and silver bullion to India, and the Calcutta bankers then point out logically the improbability of any gold being available for shipment to India, and the necessity of relying on silver alone to settle the trade balance due. They then add:

"Whether there will be sufficient silver in the world available for this purpose, in addition to what will be required for ordinary metallic currency, is doubtful, and, in any case, the greatly increased demand for silver which would thus be caused would seem likely to maintain the price of silver at a much higher level than it has been in the past."

Reference is also made by Gillanders, Arbuthnot & Co. to a London commission now sitting, and which is expected to stabilize India and rupee exchange. The sittings will require four months, and the Calcutta bankers add largely by the probable future level of prices of silver, but it may be assumed that they will not fix on a higher rate than is necessary, having regard to the interests of India exports.

World's Requirements

The world requirements for silver now shape themselves about as follows:

175,000,000	ozs. a year for shipment to India and China in settlement of trade balances due those countries and payable in silver instead of in gold.
100,000,000	(minimum) ozs. a year for minting silver coinage in Europe, North and South America, Africa and the Antipodes, and the Orient. Tremendously expanded silver coinage is made necessary not only by inadequacy of gold to meet war debts, etc., but by inadequacy of both gold-and-silver to meet inflated price standards for commodities and expanded business turnover.
40,000,000	(minimum) ozs. a year for photo, plating, jewelry (occidental), and related "industrial" uses.
315,000,000	oz. a year minimum needs.
160,000,000	ozs. 1918-1919 production.
155,000,000	ozs. indicated yearly shortage.
250,000,000	ozs. maximum world record yield.

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N. S. COAL OUTPUT SHOWS DECLINE

Production in First Half of Current Year Totals 2,450,000 Tons

GLACE BAY.—It is roughly estimated that the aggregate production of the Nova Scotia collieries for the first half of 1919, is 2,450,000 tons, and is about 150,000 tons below the production of the first half of 1918. It is stated that the 1919 production will not exceed from 4¾ million to five milion tons. The matter of transportation is a problem that is presenting some difficulty at the present time. If the Dominion Coal Co. can obtain release of its steamers, and can secure sufficient tonnage at freight rates which will permit of carrying coal to Montreal at saleable prices, then the pressure of the smaller companies will lessen.

The disinclination of the Board of the National Railways to pay the price for coal that the cost of production in Nova Scotia at the present time requires, has been the subject of very vigorous resolutions by the miners' unions, and in response some unusually straight talk is being ascribed to the railway officials in semi-official communications emanating from Ottawa and appearing in the newspapers.

HEMATITE DEPOSIT

Important Discovery Reported From New Ontario

PORT ARTHUR.—One of the most important discoveries of hematite ore ever made in the Northern Ontario district was reported to-day by the McKenzie-Rawn interests on Steep Rock Lane, near Atikonan. A seam of orebearing quartz forty feet in thickness has been discovered by the diamond drilling process. The discovery of this seam is said to mark the beginning of active development of iron ore in that district.

LABOR AT COBALT

Mines Are to be Laid Before Minister at Ottawa

COBALT.—A committee of three, consisting of Comrades Magladery (M.L.A. for Temiskaming), Ferris and Cole, is to get in touch with Senator Robertson, Minister of Labor, by either proceeding to Ottawa, or by inviting the Minister to visit Cobalt, to lay before him the facts in the present strike here, and to learn what legislation is proposed for the near future to prevent such disputes. This was decided at a mass meeting of the returned men of the district, held in the town hall here this afternoon.

PROVINCIAL BANK BETTERED POSITION

Assets Expanded Nearly Fifty Per Cent.—Larger Proportion Are Liquid

With an increase of assets of $10,000,000 to a total of $31,693,277—nearly fifty per cent.—the balance sheet of the Provincial Bank of Canada throws interesting light upon the operations of that institution for the eighteen month period ending with June, during which, as reported in last issue, there was a substantial increase in earnings. The expansion referred to is to a large extent a reflection of increased deposits, savings showing a growth of about $5,500,000 and demand over $1,000,000. At the same time there was an addition of $944,590 in capital, showing that shareholders were quite willing to play their part with the depositors in the institution's growth. Liability to the Government also increased about $1,500,000, being no doubt the result of the special financing arrangements under the war-time legislation.

The profitable employment of the increased funds available did not result in the bank's credit position being extended. In fact there was a very decided improvement in the proportion of immediately available liquid assets. These, according to the analysis of THE FINANCIAL POST, rose from 30.8 per cent. to 39.7 per cent. of the total and from 33.6 per cent. to 43.8 per cent. of liabilities to the public. The principal increases were in holdings of Government securities indicating aid in national financing, holdings of Dominion notes, balances in other banks and checks of other banks.

An increase of over $1,000,000 in current loans indicated that the needs of domestic business had received considerable attention. Other important changes were in holdings of public and municipal securities and in call loans.

Following are figures for the eighteen month period together with totals from the two previous normal years:

Immediately Available Liquid Assets	1918-19 18 months	1917 12 months	1916 12 months
Specie ...	$ 133,065	$ 95,886	$ 68,658
Dom. notes	2,199,663	1,551,081	1,244,305
N. cir. dep.	64,066	64,384	63,398
Notes bank	650,675	396,025	427,540
Bank bal..	2,677,319	1,542,576	1,265,961
Do., abd.	509,027	649,218	96,582
Gov. sec. .	4,197,316	778,869	....
Cheques ..	2,114,971	1,589,834	1,745,239
	$12,546,102	$ 6,667,873	$ 4,911,583
% total assets	39.7	30.8	26.7
% total liab. to public	43.8	33.6	29.6
Other Assets			
Pub. secs. .	$ 4,019,075	$ 2,993,015	$ 2,167,629
Other secs.	1,793,698	1,307,191	1,363,455
Call loans	4,240,191	2,787,808	2,678,875
Current ..	2,973,089	6,853,235	6,309,401
Municipal .	542,077	305,486	272,050
Over. debts.	41,449	41,599	48,545
Real estate	9,623	152,872	132,707
Mortgages	24,076	20,931	20,929
Premises ..	236,599	328,135	301,817
Other assets	267,400	212,850	207,473
	$19,147,277	$15,003,122	$13,502,881
Tot. assets	$31,693,379	$21,675,995	$18,414,464
Liabilities to Public.			
Circulation	$ 1,547,653	$ 1,157,278	$ 1,162,318
Demd. dep.	5,024,430	3,959,508	3,375,738
Sav. dep. .	17,465,027	11,983,125	10,208,236
Due bks. else.	792,240	500,000	764,999
Dom. Gov.	3,495,193	2,000,946	915,745
Due Prov. Govt. ..	231,034	239,162	218,745
Other liab.	54,376	11,493	7,826
	$28,609,953	$19,851,512	$16,652,950
To Shareholders			
Capital ..	$ 1,944,590	$ 1,000,000	$ 1,000,000
Reserve ..	1,055,000	780,000	725,000
Dividends .	39,144	19,479	18,994
Balance .	44,692	20,004	17,520
	$ 3,083,426	$ 1,819,483	$ 1,761,514
Total liab.	$31,693,379	$21,670,995	$18,414,464

HOLLINGER

The dividend of one per cent., declared payable August 12 to shareholders of the Hollinger Consolidated Gold Mines of record July 31, will call for the distribution of some $246,000, and will be the fourth of like amount to be paid this year, or a total of $984,000. By the end of the current year the company is expected to increase the rate to double the present amount by disbursing one per cent. every four weeks instead of every eight weeks as at present. Since going on a dividend paying basis the dividends paid by the Hollinger total some $9,264,000.

MINING CORPORATION

The Mining Corporation of Canada, one of the important silver-producing companies of the Cobalt district, is becoming quite active in the silver area in the Port Arthur district. It is stated that a small shipment of ore has been made from the West End mine, which is being worked by the Mining Corporation. It is also stated that the company is looking into the possibilities of such old properties as the Badger, Porcupine, Keystone and the East End. The Port Arthur district yielded considerable silver during the later part of the nineteenth century, some of the ore being exceedingly rich. It is believed possible that the most efficient mining methods of the present day may result in once more placing certain of the old properties on a profit-producinc basis.

The New York Herald special says that foodstuffs are going to Europe at rate of $11,871,396 daily. In June exports of foodstuffs were $356,141,856. Food shipped to Europe in twelve months amounted to approximately $2,400,000,000.

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5½%
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Whether you have $100 or $100,000 for investment, our complete service is at your command.

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We've been trying to tell you all along what we mean by "Office Specialty" service: how extensive in scope it is—how sincere in spirit and tangible in results we strive to make it.

—we've offered the benefit of 30 years' experience in the Filing System business to help you and your staff surmount the difficulties that depleted forces are imposing upon you.

And now we want to reiterate: If there's any problem of office system confronting you—if you're trying to handle increased work with reduced staffs—let's work with you for a common purpose. If we can help—fine! if our plan or suggestions don't jibe—all right, and no damages. But let us try.

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937

United Financial Corporation
Limited

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BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE PER CENT upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the SECOND DAY OF SEPTEMBER next, to Shareholders of record of 31st July, 1919.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 22nd July, 1919.

The Canadian Bank of Commerce

Dividend No. 130

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of twelve per cent. per annum, has been declared for the quarter ending 31st August next, and that the same will be payable at the Bank and its Branches on and after Tuesday, 2nd September, 1919, to shareholders of record at the close of business on the 16th day of August, 1919.

By order of the Board.

JOHN AIRD,
General Manager.

Toronto, 22nd July, 1919.

MONEY BANKING AND EXCHANGE

SUBSTANTIAL GAINS SHOWN BY WEEKLY BANK CLEARINGS

The Increase in East is 53.2 Per Cent. and in West 10.2 Per Cent.

DOMINION HIGHER 40%

Only Four Cities Out of Total Twenty-Seven Report Lower Returns — Windsor Shows Largest Percentage Gain

Total bank clearings for the Dominion for the week ending Thursday last show an increase of $94,110,747 over the corresponding period in the previous year, the total for the week being $329,848,028 against $235,738,181 last year. All the cities in the East show an increase with the exception of Halifax and Sherbrooke. Windsor shows the largest percentage gain with a total for the week at $1,730,858, a gain of 120.3 per cent. Montreal, with a total of $135,168,135 shows an increase of 73.4 per cent., while Toronto reports a gain of $21,040,466, or 37 per cent.

Vancouver and Calgary in the West report a falling off. Winnipeg shows a gain of $5,827,332, or 16.7 per cent. Prince Albert reports a gain of 99.2 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS

(In comparison with same week last year.)

Eastern Cities

	Aug. 7, 1919	Change	%
Montreal	$ 135,168,135 +	$ 57,252,285	73.4
Toronto	77,848,380 +	21,040,466	37.0
Ottawa	8,809,248 +	2,743,105	45.2
Hamilton	6,067,557 +	1,646,508	37.2
Quebec	6,306,432 +	1,464,135	30.2
Halifax	4,494,301 —	243,310	5.1
London	2,971,494 +	870,397	41.4
St. John	3,015,864 +	234,145	8.4
Brantford	1,123,969 +	351,369	45.5
Peterboro	842,189 +	111,848	15.3
Sherbrooke ...	845,502 —	40,140	4.5
Kitchener	969,642 +	349,659	56.4
Windsor	1,730,858 +	944,959	120.3
Total, East. ..	$ 250,193,571 +	$ 86,725,426	53.2

Western Cities

	Aug. 7, 1919	Change	%
Winnipeg	$ 40,538,833 +	$ 5,827,332	16.7
Vancouver	12,935,704 —	2,448,753	16.0
Calgary	6,460,216 —	409,593	5.9
Edmonton	4,865,810 +	1,968,028	67.9
Victoria	2,450,740 +	91,301	3.8
Regina	4,196,210 +	868,815	26.1
Saskatoon	2,208,559 +	381,887	20.9
Moose Jaw ...	1,646,128 +	262,748	19.0
Ft. William ..	857,002 +	52,523	6.5
Brandon	875,703 +	231,160	35.8
ethbridge	911,789 +	134,232	17.4
N. Westminster	689,145 +	71,506	11.5
Medicine Hat .	547,102 +	120,010	28.1
Prince Albert .	470,417 +	234,134	99.2
Total, West. ..	$ 79,655,357 +	$ 7,385,321	10.2
Grd. Total ...	$ 329,848,928 +	$ 94,110,747	40.0
Yr. to date	$8,476,764,186 +	$1,090,064,195	14.7

NEW YORK FUNDS UNDER 5 PER CENT.

Rapid Advance at Close of Last Week is Followed by a Reaction

The close of the week saw New York funds quoted lower than at the beginning. On August 1 New York exchange sold up to 5 1-32. On the following day it closed under 5 per cent., and on Tuesday dropped to 4⅝. This was the reaction expected following the rapid rise of the market at the close of the preceding week, when the advance was largely due to the buying by Canadians of the $75,000,000 loan in the United States, the second instalment of payments having become due. The market was heavy on Thursday, with the tendency steady on the following day. Funds closed at 4 11-16 on Thursday. Supplies in the market were not plentiful but demand in the past couple of days has been a little slower.

Summarizing the causes and conditions entering into an abnormal New York Exchange rate, the Mechanics and Metals National Bank of New York City, in its report, writes as follows:

> Most bankers and business men seem to be agreed on the cause of decline in exchange rates and on the remedy. They see the world demanding and receiving from us more goods than ever before, and failing to send a corresponding amount in return. They see, on one hand, the prospect of a continuance of this condition, without, on the other hand, a continuance of the war time advances that were made by our Government to our European Allies—up to ten billion dollars—to enable them to pay for the things in this country that they needed.
>
> Thus, briefly, they summarize the cause of the decline. As for the remedy, most observers are agreed that it must be an extension of credit; and some, expecting the impossible, have become greatly agitated because New York bankers have not immediately announced a remedy, and restored exchange rates to their former normal levels.

The course of exchange during the week was as follows:

Aug. 1.—Funds opened at 5 per cent. to the seller, rose to 5 1-16, reacted to 5 1-32, and closed at 5 per cent.

Aug. 2.—Funds opened at 5 1-32, sold down to 4 15-16, and closed at 4 29-32.

Aug. 4.—In Montreal funds sold at 4⅞.

Aug. 5.—Funds opened at 4⅞, dropped to 4⅝ and was 4½ bid, with no sales at that rate.

Aug. 6.—Funds opened at 4 7-16 nominal, afterwards settling at 4 15-32 to buyer, 4½ to seller, 4 19-32 to buyer and closed at 4 13-16.

Aug. 7.—Funds sold successively at 4¾, 4 23-32, 4 21-32, and closing at 4 11-16.

Sterling are on the whole lower this week, and in the case of francs, average higher as compared with the preceding week.

	Sterling.		Francs.	
	Demand	Cables	Demand	Cables
Aug. 1	4.35½	4.36½	7.26	7.24
Aug. 4	4.35	4.36	7.31	7.29
Aug. 5	4.35	4.36	7.44	7.42
Aug. 6	4.32	4.32¾	7.56	7.54
Aug. 7	4.31	4.31¾	7.77	7.75

HAMILTON

The Bank of Hamilton announces that a new branch at Warrenton, Man., will be open Monday, Wednesday and Friday of each week, as a sub-branch to Stonewall. W. C. Soole, manager at Stonewall, will also sign as manager at Warrenton.

MONTREAL

The Bank of Montreal has opened a sub-agency to their Ashcroft branch at Clinton, B.C. A service will be given on Mondays, Tuesdays and Fridays.

The Bank of Montreal has purchased two lots at Lougheed, for a new bank building. J. D. Smith, from Montreal, is the newly appointed manager, succeeding W. J. Baum, who has gone to Victoria, B.C.

MERCHANTS

W. A. Murphy, for some time a member of the Daysland branch of the Merchants Bank, has been transferred to the branch at Calgary.

K. C. Kirby, who served for some four years overseas, has been appointed ledger keeper at the Daysland branch of the Merchants Bank.

The Merchants Bank has commenced operations on its new office at Arnaud.

COMMERCE

Branches of the Canadian Bank of Commerce have been opened at the following points: Nordegg, Alta., in charge of D. M. Sinclair; Paswegin, Sask., sub-agency to the Wadena branch.

BANK OF COMMERCE IN THE ORIENT

Party Returns to Canada After Four Months in East Investigating Trade Possibilities

Sir Edmund Walker, president of the Canadian Bank of Commerce, has returned to Toronto after four months in the Orient. Sir Edmund, with other officials of the bank, visited China, Japan, Manchuria and Korea. Trade investigations, that is, in regard to North America's relations with the Orient, were the chief objects of the visit. Sir Edmund was very much impressed with trade opportunities in the far East, but emphasized the fact that to capture the commercial business of the Orient, it was necessary to carry out a systematic campaign. They had not gone to the East, Sir Edmund stated, with the purpose of opening bank branches, but to place the bank in a position to better serve the country and the bank's customers.

Sir Edmund was met at Vancouver by Sir John Aird, general manager of the bank. G. V. Holt, Vancouver manager, who was also a member of the party, told the representative of the FINANCIAL POST at Vancouver that an effort was being made by powers who have interests in China, to form an international consortium, in which these interests would be pooled. In this way it is hoped to break down the antagonistic feeling the Chinaman has for the foreigner who has entered his country and taken certain land areas. One of the important functions of the consortium, he added, would be to lend money for the development of China's railroads and to endeavor to establish a unified currency system. At present a traveller could not go a distance of ten miles without meeting a different value for any coin he might carry.

Sir John Aird, in referring to the likelihood of greater trade relations with the East, at Vancouver, said: "We want Canadian merchants to get into this market, and we wish to assist them in every possible way by having our facilities conveniently located." Expansion in Vancouver was also hinted at.

WIDOWS AND CHILDREN

Being Provided For by Lloyd's Bank of London

Sir Richard H. Vassar-Smith, chairman of the board, of Lloyd's Bank of London, England, in his annual report showed a remarkable growth in deposits of that institution, says Bankers' Monthly, and of great interest to American bankers.

In his report he showed that the available profit account for the year, together with the balance brought forward from 1917, amounted to $13,239,230, which includes a half year's profit of the Capital and Counties Bank, which was taken over July 1, 18. From this was deduted $1,645,425 for the interest dividend, and $1,000,000 for premises account.

The bank has set aside $500,000 to establish a fund for the widows and children of deceased members of the bank staff. Commenting on this the chairman said:

> For a long time we have felt the desirability of such a fund to provide an annuity or money grant, as the circumstances may demand, in addition to the staff provident fund, which provides a sum of money at death, and which is conributed to by the bank and the members on the staff.
>
> **Consideration has been given to an extension of the benefits of this fund, but it has been thought better to have a separate fund. $1,000,000 has been set aside for a special contingency account, and $3,930,230 has been added to the reserve fund which now amounts to $45,000,000.**

DOMINION BANK IN FOREIGN FIELD

An Affiliation Formed With the British Overseas Bank, Ltd.

The Dominion Bank is another of Canada's big financial institutions looking to a foreign connection to effectively co-operate in the development of export trade. It is announed that an affiliation has been formed with the British Overseas Bank, Ltd., an association of banking institutions comprising the following large British corporations, in addition to the Dominion Bank, which is the only Canadian Bank represented:

Union Bank of Scotland, Ltd.
Williams Deacon's Bank, Ltd.
Anglo-South American Bank, Ltd.
Glyn, Mills, Currie & Company.
Northern Bank Co. of Belfast, Ltd.
Imperial Ottoman Bank, Ltd.
Hoares' Bank.

One of the objects of this important British corporation is to facilitate the foreign trade of the Empire by specializing in exchange payments, commercial credits, and all matters relating to international trade. Through the establishment of branches in various parts of the globe, the British Overseas Bank, Ltd., will be fully equipped to render the most efficient service to exporters and importers having large dealings abroad.

The connection thus formed will afford the Dominion Bank widely extended avenues for the handling of the foreign business of its customers.

The total assets of the banks interested in this new enterprise amount to over $900,000,000.

EFFECTIVE BLOTTERS

Being Distributed by the Royal Bank of Canada

A blotter campaign against national fire waste is a unique idea in indirect advertising which has been adopted by the Royal Bank of Canada. The blotters effectively call attention to the high loss per capita—the highest in the world—being suffered and give hints for preventative steps in the factory or in the home in case of emergency. The menace from forest fires is particularly emphasized and suggestions to reduce the loss are given.

Another series issued by the same bank—seven in number—give first aid hints in case of near-drowning, fainting, gas poisoning, bleeding, sprains, stings, sunstroke, etc., etc.

Still another series is for the encouragement of thrift in relation to savings accounts with such attractive appeals as: "A Savings Pass Book is the Best Christmas Gift Book, Especially For Your Children."

BANK OF ENGLAND

London, Aug. 7.—The weekly statement of the Bank of England shows the following changes:

Total reserve, decreased	£ 844,000
Circulation, increased	741,000
Bullion, decreased	102,777
Other securities, decreased...	1,252,000
Other deposits, decreased.....	16,710,000
Public deposits, increased.....	454,000
Govt. securities, decreased....	9,468,000

The proportion of the bank's reserve to liability this week is 21.70 per cent.; last week it was 20.44 per cent. Rate of discount 5 per cent.

TARIFF ACTION BY THE LIBERALS STEP IN THE DARK

Continued from page 1.

has revealed a great deal of dissent from the principles of the platform.

Mr. King and Business

The selection of Mr. McKenzie-King was largely influenced by his brilliant speech advocating the adoption in i's entirety of the methods and principles in regard to labor incorporated in the peace conditions. With this there might not be so much to quarrel, but the fear which the business world will probably have of the new Liberal leader will be that he will come to the leadership and eventually possibly to the head of the Government of Canada after a long period of years spent in an academic sphere, and removed from practical conditions; and it will wait expectantly and somewhat anxiously to see whether he can also bring to the solution of Canada's serious problems the practical turn of mind which is so necessary at this time.—T.M.F.

German Government will spend $375,000,000 to reduce the 50% cost of food to railroad employees in lieu of higher wages sought by men. Granting of wage demands would have cost $1.000,000,000, which, added to existing deficit, would have brought annual total loss from operation of German railways to $2,000,000,000, more than country could have raised from taxation in addition to other burdens.

Osler Wade, liquidator for the estate of the Sarnia Realty Co., has forwarded a cheque of 10 cents on the dollar to shareholders, bringing the aggregate amount of interim dividends to date to 50 cents. Further dividends will follow with more or less irregularity, as remaining assets are of a nature that will take some time to liquidate.

The Financial Equipment

of The Bank of Toronto for the successful handling of business accounts include:

Currrent Accounts, which are operated on liberal and convenient lines and upon modern methods;

Advances to assist in the operation of mercantile and manufacturing accounts and for the healthy expansion of all industrial and commercial enterprises;

Letters of Credit for the use of importers of foreign products, available in all civilized countries;

Drafts, Money Orders and foreign exchange sold or purchased;

Travellers' Cheques and Letters of Credit issued, on which cash can be secured at stopping places on all lines of travel.

THOMAS F. HOW
GENERAL MANAGER

Your banking business invited.

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THE BANK OF TORONTO

TO DEVELOP COAL MEASURES

Petition Being Circulated in British Columbia Asking For Government Assis-

By Special Representative

VANCOUVER.—Business interests in the Prince Rupert and adjacent district along the Grand Trunk Pacific Railway are circulating a big petition, which in a short time will be presented to the Provincial Government, asking that encouragement be given to some syndicate which will take up the development of the Groundhog coal measures which the late Baron Rhondda (D. A. Thomas had) in hand at the opening of the war and which has been dropped in the meantime. At present it is stated that Prince Rupert obtains its coal from Vancouver Island and pays therefor $16 per ton while the Grand Trunk hauls its fuel from a point 900 miles east on its line. Within 200 miles of the railway south of Groundhog lie millions of tons of the best coal obtainable, according to reports of reliable engineers. To get at this area requires the building of a railway line and this is the object of the petition. Such a line, it is said, would cost $15,000,000 and the petitioners make the suggestion that the Government allot 10,000 acres of land per mile together with the right to exploit 250,000 acres of coal lands on the usual royalty to any syndicate which would undertake the task.

In this connection it is interesting to report the arrival in Prince Rupert last week of Sir Donald Mann, who when asked as to his intentions in construction work, said that he had built his last railway. Sir Donald is interested in the Portland Canal district and was on his way to inspect at Stewart, the Big Missouri prospect which is under bond to the Pacific Exploration Company. There are 21 claims in the group and there is a phenomenal showing of ore. He said that with the ending of the war and the solving of reconstruction problems, there would be a quick return to stable business conditions in the West.

MACAULAY ENDORSES PLAN

Thinks Consolidation of British-America is Feasible

The plan advocated from London, in a special cable to the Montreal "Star," of the consolidation of the British Empire in North America, including the British West Indies, Newfoundland and Canada, is a feasible one, according to T. B. Macaulay, president of the Sun Life Assurance Company, who has made a close study of conditions in the island colonies.

It would be highly desirable that Newfoundland should be taken in as a province of Canada at once, but Mr. Macaulay pointed out that it took two to make a bargain. As to the British West Indies the people there had not shown any great desire for a political union, but on the other hand were ready for a preference arrangement, even to the extent of granting 50 per cent. reduction in the duty, the preferency to apply to the Mother Country as well as Canada. This would have the effect of retaining in British channels the bulk of the trade of all these British colonies.

TO TAKE OVER P. G. E.

Request to be Made by B.C. Premier at Ottawa

VANCOUVER.—One of the matters Premier Oliver intends to take up with the Federal Minister of Railways and the Chairman of the Canadian National Railways when in Ottawa for the Liberal Convention is that of acquisition by the Dominion Government of the Pacific Great Eastern Railway system.

While this subject is not new to the authorities at Ottawa, Mr. Oliver considers that it should be good business for the country to obtain possession of the line so that it could be completed to the Peace River country as part of the national system in this Province.

In connection with construction work the Premier stated this morning that steel is being laid at the rate of two miles a day, a feat which establishes a record for track laying in British Columbia.

PAPER EXPORTS DECLINE

Pulp, Paper and Pulpwood Exports in April Show a Falling Off

According to the special report issued by the Canadian Pulp and Paper Association, Canadian exports of paper, pulp and pulpwood, for April, the first month of the new fiscal year, reached a total value of $5,598,128, as compared with $6,323,635, for the corresponding month of 1918, showing a decrease of $725,507. Paper exports alone made a gain of $473,186. The new classification adopted by the Dominion Bureau of Statistics shows that the month's exports of newsprint, the leading paper staple, amounted to 920,592 cwt., valued at $3,160,318, compared with 954,376 cwt., valued at $2,790,158 in April 1918, indicating a smaller quantity exported this year, but at a higher price.

Exports of both chemical and mechanical woodpulp fell off this year as compared with last, the former by $926,508, and the latter by $266,230. Exports of pulpwood also fell off by $5,955.

SEPTEMBER IN ALGONQUIN PARK

◆

September is one of the most delightful months of the year in the "Highlands of Ontario," and Algonquin Park offers attractions that are not found in other districts. It is situated at an altitude of 2,000 feet above the level of the sea, assuring visitors of pure, bracing air that rejuvenates body and mind. A few days here is better than ounces of tonics and saves doctor bills. The territory is also easy of access via the Grand Trunk, 200 miles north of Toronto and 170 miles west of Ottawa. "The Highland Inn," a charming caravensera, affords most comfortable accommodation at reasonable rates. The Inn is heated by steam. Grate fires for cool evenings add cheer to the indoor pleasure. The cuisine is all that can be desired. Good fishing in the many lakes in close proximity to the hotel. A fine clay tennis court affords a means of physical exercise. "The Highland Inn" is operated by the Grand Trunk Railway and will close for the season on September 30th, so make your reservations early. Illustrated descriptive literature telling you all about it from any Grand Trunk Agent or write Mr. N. T. Clarke, Manager, Highland Inn, Algonquin Park, Ont.

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SERVICE.—Our highly-developed service is available at all times for the benefit of our customers. Every well-grounded business man appreciates the importance of the co-operation, guidance and information on financial matters of his Banker.

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The Doctor Buys The Latest Books

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NEWS AND VIEWS FOR MANAGERS

WHAT UNIFORM CHECKS WOULD MEAN TO BANKS

Present System Has Unnecessary Burdens of Labor for Clerks

PLANS CONSIDERED

Matter is in Hands of Inter-Bank Committee, But Not Much Progress is Being Made

The matter of a joint arrangement between Canadian banks for a uniform system of check forms has been under consideration by the committee on inter-bank service. Considerable progress has been made in the direction of a general solution, but I am informed that for the time being matters are at a standstill, and that some of the banks are not showing a disposition to co-operate. In the interests of all bank staff members it is to be hoped that the matter is not to be allowed to drop. What it means to bank workers is indicated in the following article: "The Losing Side of Freak Check Forms," by W. A. Blue, in the Journal of the American Bankers' Association.—J. W. T.

Pity the poor bookkeeper who has to juggle 57 different sizes, shapes, thicknesses, forms and arrangements of checks and vouchers every time a fresh young mountain of exchanges is dumped upon his always overflowing work table.

How much of the ever-rising cost of clerical work in a modern bank is due to this antediluvian custom of allowing each depositor to adopt his own freak size or form of check?

Ask the sorters in the exchange room. Ask the boys and girls in the transit department. Ask the clerks on the adding machines. Ask the tellers who have to verify and scramble all over a nightmare collection of odd voucher forms hunting for the rates and amounts, which are just as apt to be buried down in the lower southeast corner as to appear on the upper right where they belong.

They will tell you its like trying to straighten out the several straws in a haystack to attempt to sort or stack the average run of checks with anything approaching reasonable speed or accuracy.

Checks of Every Size

Take the oddities in sizes alone. Long sizes, some with perforated overhangs on the ends to stick, or to catch the indorsement stamps when checks are folded over. Lean sizes that always hide at the bottom of a stack of checks and thus get overlooked. Short, fat, "outsizes" that split when the rubber band is snapped around the bundle. Tiny sizes that slip into the recesses of the big folded vouchers and throw the balance out. Voucher forms all the way up to the size of a page in the ledger. Freak, "scientific" forms with "panels" and "dewdads" scattered all over the front and back (devised by some efficiency fish) with 17 different places to look for the amount.

The above are only a few of the things that make bank clerks bald and bent before their time.

How about dividends? How much money does a bank spend for help and additional equipment that could be applied to dividends and increased salaries if the use of freak check forms was discouraged?

What fraction of a bank's payroll is properly chargeable to sheer waste of time and labor, involved in extra help to make up for the time and accuracy sacrificed in handling over and over all those odd-sized checks? How about the night work spent in hunting for mistakes and missing balances directly due to mis-sorts or wrong listing of individual amounts that could never happen if there was just one place to look for the amount, date, number, etc., on every check.

Counting the Sheets

The other day I watched a printer deftly counting the thousands of large sheets of paper in a pile that was going to the devouring cylinder press to be hewed up into bank checks. "You seem to be pretty skilful in fingering these sheets and letting just five slip through your fingers at each movement." He said, "Yes," it was because these particular checks were all from the same kind of paper, the sheets all the same size, with square edges, and all the same "slip" and thickness.

I asked him how many he could count in an hour accurately. He told me he could count 20 reams of 500 sheets each per hour, 10,000 individual sheets, and guarantee the count. He added that, under pressure, he had counted as high as 12,000 sheets per hour.

Then I asked him what would happen if the sheets were of different sizes and shapes and thicknesses, like the run of bank checks. He threw up his hands. In that case, he said, he'd lose his job, as the printing press would grind out the completed sheets faster than he could count them and get them ready. He said he supposed a man could count a million sheets of uniform size and thickness in the time it would take to handle a few thousands that were irregular in any respect.

And so even the printer, who is not invariably a marvel of system or efficiency, wouldn't be bothered with a nuisance that the banks accept and suffer in silence.

Easy to Count Bank Notes

I watched a teller counting bank notes and throwing them in piles of ones, twos, fives, tens, etc. He was very expert. I asked him if it would make any difference if the notes were of odd sizes and thicknesses and if the figures indicating the denominations were placed at different positions on the notes. He looked at me pityingly. "Why," quoth he, "handling currency is like dealing cards. They must be all of the same size and have the same 'slip' and the denominations must always appear in the corners. "Otherwise," he added, "it would take a half dozen people to do what I'm doing here."

Then I went into the exchange room of a big New York bank and watched the nimble fingered clerks at the adding machines. I noticed that they "riffled" the checks like playing cards, lifting them so that they could read the amount in figures at the extreme right-hand end. When they came to the all-too-frequent ones that had the figures at the lower left-hand edge, or perhaps up in the northwest territory, a painful delay in the clanking of the machine ensued while they hunted for the playfully elusive figures.

I noticed how difficult it was to stack these miscellaneous checks neatly on the shelf of the machine, due to the odd sizes and shapes and folds, which made the pile springy and inclined to flutter away like chaff with every breath.

Working the Check-listing Machine

The head of the department pointed out a young chap at a hand-operated machine in the corner. "That lad over there," he said, "made the championship in the check-listing contest at our last chapter meeting. He's so fast on the machine that he won't use an electric drive—claims it slows him up."

So I went to the champ and I said: "They tell me you are pretty speedy on the machine. What is your record for listing and adding 500 checks? He told me 6 minutes, 19 seconds, which is close to the professional record.

Then I asked him, "About how many are you doing now?" and he said, "Oh, about 25 minutes for 500 is the best I can do with this stuff," and he surveyed the jumble of scraps of paper before him.

"What!" said I. "Do you mean to say that you can list up 500 amounts correctly in 6 minutes, 19 seconds, in a contest and only 125-in the same time here in the bank? Why is this so?"

For answer he went over to his locker and brought out a bunch of the dummy contest checks furnished for use in the chapter contests. "Now watch," he said. His fingers fairly flew as he riffled those checks, merely glancing at the figures on the right-hand end of each, and his hands went up and down the board so fast they were a mere blur. In almost no time at all he had punched the total key, given the handle a final double yank, and handed me the slip.

"The answer," he said earnestly, "is that these dummy checks are all the same size, all the same kind of paper and the figures are just where they ought to be on each check. It takes me exactly four hours to do the work I could do in one hour if the people who make checks would have a heart and think of a check as money instead of a fancy valentine."

So there you are again! Three hours in every four wasted. Four clerks to perform the operations in the sorting room, and exchange room and transit room, and in the work of verifying, that ought to be performed by one. No wonder the overhead goes up!

THE ROOSEVELT IDEA OF SELF-DETERMINATION

A few years ago in Collier's, Julian Street made this comment on the accomplishments of the late Theodore Roosevelt:

"Out of a weak child he made a powerful man; out of half blindness he made a boxer; an omnivorous reader, a good shot. Out of a liking for authorship, rather than a talent for it, he made a distinguished author; out of natural force and a feeling for the charm of things he made a style not only clear and forceful but, at times, charming. Out of a voice and a manner never meant for oratory he made a speaker. Out of a sense of duty he made a soldier, out of a soldier a governor, out of a governor a vice-president, and—wonder of wonders—out of a vice-president a president!"

COUNTRY GIRL NOW BIG BANK CASHIER

Builds Up a Department of 3,500 Women Depositors—How She Has Done It

By V. HECTOR GRIFFITH,
In Forbes' Magazine.

Women have at last won their way into the last stronghold to withstand the feminine influx—the great banking institutions of the country—and they are making good.

Miss May Selley, of Nashville, Tenn., has the distinction of being one of the few women bank cashiers in the United States. It was Miss Selley's indomitable faith in herself that finally won for her not only the place she now fills with womanly grace and charm, but also the appreciation of the president of the Fourth and First National Bank of Nashville, as well as depositors. A stranger would never suspect that a woman so young holds a position of such responsibility.

Miss Selley didn't jump from school to cashier of the largest banking institution in Nashville. Her father declared that he had his boys to educate as business men, and he refused to spend money on a similar education for his daughter. But Miss Selley set about to secure the education she desired through her own efforts.

"I had little education to start with," said Miss Selley, as we sat in the attractive reception room of the Women's Department of the Fourth and First National Bank of Nashville. "My parents moved from the country to Nashville, where I entered the public schools, and at seventeen, found myself in High. Then came a streak of hard luck and it was back to the country, or get out and dig for myself. When I realized I must return to the farm to live the monotonous life of a country girl, I rebelled. How to secure a business education was the problem that confronted me. When I approached my father he refused to listen; he had the boys to start in life. Of course, he honestly believed that it would be money thrown away, since he had no faith in my ability to become a business woman.

"His action forced me to take the step that led eventually to my securing this banking position.

Started at $25 Per Month

"I borrowed money to enter a business college, giving my personal note which, I am glad to say, I redeemed with money I earned with my own hands and head. But the funny part of it all," added Miss Selley, smiling, "was that after educating myself to become a stenographer, I simply couldn't become a stenographer! My heart wasn't in the work, for anybody can become a stenographer, and I wasn't satisfied to hold a position that anybody could hold.

"I had obtained a position with a bank and was given letters to write, salary $25 per month. I have a way of going to the bottom of anything I undertake; also I do my best and try to be agreeable, and gracious, no matter how great a provocation to be otherwise. Then, too, I always saw that things around me had an air of cleanliness and order; for no man or woman can climb very high surrounded by a sense of confusion, without system for the work in hand.

"After I had been with the old Fourth National Bank a year, a woman was given the position of a cashier and was placed in charge of a window. After six years the window became unpopular. Finally, the position was offered to me, but I declined it, as I was now doing well and receiving $81 instead of $25 per month. The window closed in October to be re-opened in January. I was placed in charge.

"It wounded my pride to watch women depositors pass my window on their way to a window in charge of a man. It now became the one big ambition of my life to gain women depositors, to look after them, so to speak, to educate them to look after business affairs and money matters. You haven't any idea how helpless some of them are. They leave their passbooks at home; the money that they intended to deposit is forgotten; checks are not made out properly, and it takes fully half an hour for some of them to endorse a check. You simply can't imagine how timid they are when they are forced through death in the family or other circumstances to look after their financial affairs."

Made Women's Department a Success

To-day the Women's Department in the Fourth and First National Bank of Nashville is one of the show places of the handsome new bank building. The department occupies a conspicuous place on the ground floor. Miss Selley was given the privilege of arranging and furnishing this department for women depositors so as to give expression to her artistic ability and introduce a touch of individuality. She now has a number of women and girls under her charge and supervision.

"Of course, it took time to gain the confidence and goodwill of the women depositors in this department," Miss Selley went on. "At first they refused to notice me. But now I wish you could see the lines some busy days, especially Saturday mornings. I have on my books 3,500 women depositors, which doesn't include savings accounts. From a $100,000 department it has become a $600,000 department.

"I find that it is principles and ideas that count in the business world as elsewhere. I feel that my work is worth while. But I long since discovered that I can't do a man's work in a man's way; it must be a woman's work in a woman's way. A business woman, for example, must not wear foolish clothes nor high heel shoes. She must also forget her sex attraction."

WHAT DECIDES THE AMOUNT OF CHECK?

Interesting Point Involved in Case Heard in California Courts

If Jones intended to give Brown a cheque for $100 and, by mistake, writes one hundred dollars in words in the body of the cheque and places $1.00 in figures in the corner, or, reverses the process and places $100 in figures in the corner and omits the word "hundred" in the body of the cheque, it is a very elementary rule that in such a case the words and not the figures will govern, so that the first cheque would be good for $100 and the second cheque for $1.00.

In a case recently decided by the California Supreme Court, however, an entirely new point arose, as in that case, one Payne, a depositor of the Commercial National Bank of Los Angeles delivered to D. W. Russel a cheque in the following form :—

> Los Angeles, Cal., May 7, 1914. No. 379 Commercial National Bank of Los Angeles:
>
> Pay to the order of D. W. Russel $500.00. Five and no/100 dollars. D. C. Payne.

In this instance it is to be noted, there was a variance, not between the words in the cheque and the figures in the margin but, between the words and figures in the cheque itself, and two days after the cheque was dated, it was presented to the Commercial Bank which refused to pay it.

Five or six days later the cheque was presented again, paid by the bank at $500 and charged to Payne's account. Payne then sued the bank to recover money improperly paid, and got a verdict for $495 (the amount paid by the bank less the smaller amount named in the cheque), which the Supreme Court of California upheld on appeal.

The decision of the court was largely on the ground that the cheque was void for uncertainty and that evidence could not be given showing the actual intent of the parties, and did not directly decide the more interesting point presented, namely, whether in this case where there is a discrepancy between the words and figures in the body of the cheque itself, the words of figures will govern, but in this connection the following quotation from the judgment of the court will repay a careful perusal:—

> "Clearly there is no rule of construction which would warrant this cheque being read as one for $500 rather than as one for only $5.00. It might be argued that it must be construed as a cheque for only $5.00. This argument might not be sustainable under the rule to the effect that, if there is a difference in the sum stated in the body of the cheque or bill and that stated in figures in the margin or superscription, the words written in the body must control without regard to the figures in the margin or superscription. The idea underlying this rule appears to be that such a marginal note or superscription is but a memorandum, constituting no part of the body of the bill or cheque, and that what is clearly specified in the body must control. It is said with much force that this rule can have no application here for the reason that the figures '$500.00 in this cheque do not constitute a marginal note or superscription, but are, equally with the written words and figures 'Five and no/100 dollars,' a part of the body of the cheque. But there is a general rule of construction recognized by some of the authorities to the effect that where both written words and figures are used in a contract to express the same number, and there is a discrepancy between the two, the written words must prevail over the figures. The theory is that a man is more apt to commit an error with his pen in writing a figure than in writing a word, and that the words ought to be deemed the better and more solemn statement, and therefore should govern."

NEW BROKERAGE FIRM

Messrs. May, Child & Jarvis, members of the Montreal Stock Exchange, have opened an office at 6 St. Francis Xavier Street, where they will carry on a general financial business in local and foreign stocks. Stanley May is well known to the Montreal "street," being formerly associated with Edward Smith & Co., and latterly a partner in A. E. Rex & Co. H. J. Child has been acting as floor member for Pitblado & Co. for some years. W. L. Jarvis has recently returned after four years' service at the front. Mr. Child will act as floor member for the new firm.

GASOLINE SUPPLY PROBLEM HAS BUT TWO CHOICES

Either More Oil Must Be Found or Conservation Enforced

CONSUMPTION GROWS

In Any Case Higher Prices Would Seem Inevitable, and Profits For Producers Are Assured

By W. C. VAN ANTWERP,
In the "Wall Street Journal."

From 1860 to the end of 1918 there was produced and marketed in the United States oil amounting to 4,598,144,000 barrels, and in January, 1919, the U.S. Geographical Survey estimated the available oil left in the ground at 6,740,000,000 barrels. The fact that there is more oil in the ground than has been taken out does not mean, however, that the yearly output will increase.

That the country is at present face to face with a serious shortage of petroleum, particularly of light oils of paraffine base and large content, is the opinion of all the government and private authorities. The amount of crude oil held in storage in the various pipe lines and storage tanks in the Pennsylvania, Lima, Kentucky, Illinois and Mid-Continent fields was reduced to the extent of 2,210,669,.24 barrels during the month of May, 1919. The amount of crude oil held in storage by these pipe lines and tanks at the close of business May 31, 1919, was 67,644,373.85 barrels. The stocks of the same companies at the close of May, 1918, were 89,860,771 barrels, which shows a decrease for the year of 22,216,398 barrels. At the present rate of consumption and decrease of crude stocks there will not be a barrel of high-grade oil above ground in storage at the end of three years in these districts.

The Cry For Gasoline

A consideration of these facts leads to certain vital conclusions. Petroleum has become so essential to the industrial life of the nation that new productive fields must be found and developed, or conservation rigorously enforced by the Government, will be inevitable. This means higher prices, a fact generally recognized by the Standard Oil Co. and by such solid independents as Benedum, Doheny, Sinclair and Cosden. No less an authority than Mark Requa, head of the Government's Bureau of Oil Supplies during the war and an export of established reputation, is already advocating sane and prudent policies of conservation. All these men realize that the supply of oil is limited, that not a drop should be wasted, and that production, once seriously impaired, may never be replaced.

Of all the products of petroleum the most insistent demand to-day is for gasoline. Its production amounted in 1916 to 50,000,000 barrels; in 1917 to 68,000,000 and in 1918 to 85,561,150 barrels—the latter equivalent to 3,593,568,300 gallons figuring 42 gallons to the barrel. Of this huge 1918 production American pleasure vehicles alone consumed over 3,300,000,000 gallons, leaving less than a billion gallons for trucks, tractors, boats, stationary engines, etc., and for export requirements. Farm tractors alone, an infant industry, increased 100% in 1918 and the Department of Agriculture says that more than 300,000 will be in use in the United States alone in 1919. When you stop to think that there are more than 4,000,000 farms of 50 acres each in the United States the possibilities of the tractor are beyond calculation. I have seen them at work, and talked to the men who are using them. Without doubt the day of the horse and mule in heavy farm work has passed, never to return, and the tractor, relatively speaking, is certain to parallel the Ford flivver. The same is true of motor trucks, where again we find an increased production in 1918 of 100% over 1917. Add to this the Government's estimate of an annual domestic increase in the consumption of gasoline of 500,000,000 gallons, and it is easy to see what is going to happen. Either more oil, rich in gasoline must be found, or the Government will step in and force conservation. In either case higher prices would seem to be inevitable. In either case enormous profits for producers are assured, for we must have gasoline and lubricants or industry will collapse.

VICTORY BONDS NOW AGAIN IN POPULAR FAVOR

Continued on page 9.

ation for the second quarter was distinctly good. Previous reports of independent companies had shown severe shrinkage in profits in the second quarter, as compared with the first. The Steel Corporation's report, it was supposed, would likewise show a loss. Instead of this there was a gain; not large, to be sure, but the difference was in the right direction. On the strength of this the market opened up slightly, only to meet with very heavy selling. There is, however, this to be said: that the market has absorbed a large volume of sales without acute weakness, let alone demoralization. The buying power is still considerable.

The three critical factors to-day are labor, money and crops. Unfortunately, recent developments in all of these respects have been unfavorable. It is quite natural that labor should be insistent on higher wages. We think every fair-minded man is anxious that labor should receive wages in accordance with the advanced cost of living, though we make bold to say that making very full allowance for the increased cost of living, the relative position of labor has never been so good as it is to-day. The alarming feature is the unscrupulous manner in which labor is taking advantage of the present situation. There is no hesitation in breaking agreements, or putting the public to great inconvenience if they think that it is to their advantage to do so. It is particularly disquieting that they have got beyond the control of their leader. Attempts on the part of union officials toward moderation, threats of revoking charters, are met with derision. The "public-be-damned" attitude of labor to-day is exactly on a par with the attitude of capital a generation or more ago. Capital was riding for a fall then and got it. e feel labor will have to go through the same experience.

On the Canadian exchanges trading has been dull and prices reflecting New York opinion have shown a tendency to decline. However, there does not seem to be any promise of any broad movement at this season. Contrary to the selling movement in stocks there was a moderate revival of interest in the mines. This is a development frequently noted and regarded as an indication of money being withdrawn from other securities. The strong market for silver is having a direct influence in that department. The situation as regards gold properties is also regarded as very satisfactory. The labor problem is giving some cause for apprehension but it is felt that these difficulties are only temporary.

BANK STOCK CHANGES

	Last July 31	Sales Aug. 7	Ch'ge
Commerce	202	202½	+ ½
Dominion	205	205	....
Hochelaga	158	157	— 1
Imperial	196½	198	+ 1½
Merchants	193	195	+ 2
Molsons	198	193	....
Montreal	216	211½	— 4½
Nova Scotia	277	275	— 2
Royal	216	216	....
Standard	215½	215½	....
Toronto	199½	199½	....
Union	162½	162	— ½

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Manager - - - - - - GORDON RUTLEDGE
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Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

PUBLISHED BY
THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 128 Bleury St., M. Foster; WINNIPEG, 1207 Union Trust Building, C. W. Byers; BOSTON, 734 Old South Bldg., C. L. Morton; NEW YORK, Room 620, 111 Broadway, R. H. Huestis; CHICAGO, Room 1401 Lytton Bldg., 14 E. Jackson St., A. H. Byrne; GREAT BRITAIN—London, The MacLean Co., of Great Britain, Ltd., 88 Fleet St., E.C., E. J. Dodd, Director.

TORONTO, AUGUST 9, 1919

NEED FOR THRIFT AND GREATER PRODUCTION

THE announcement of the Government's post-war loan of $250,000,000, emphasizes the serious fact that although the great conflict has been successfully concluded and the military crisis passed there is still a financial crisis to be faced. The war is over but it is not paid for. Now, and even after the period of readjustment has been financed, there is and will be need for national thrift and frugality to meet the national tax bills.

That the people of Canada, like the people of many other nations, are suffering from something in the nature of a mental and physical reaction from the war effort is in evidence on every hand in the general unrest prevailing. There was never a time when clear thinking and cool judgment were more imperative. But instead of saving money and increasing production the tendency seems to be to reduce industrial output, while at the same time savings resulting largely from war-time financial inflation are being expended in a competition for the short supply of food and other necessities. While people show a disposition to work less and have no desire to reduce their consumption of commodities there appears to be nothing to check the upward trend of prices.

The problem to-day is to increase production. Hon. Duncan Marshall told a serious half-truth in a spirit of levity when he thus referred to city people in addressing the Liberal convention this week:

> "They talk about organizing to keep down the price of eggs, and grumble and growl because eggs are going to be $1 a dozen and beef $1 a pound, and they talk of boycotting these products. Did they ever think that the best way to reduce the prices of beef and eggs is to go out into the country and produce them? A lot of these fellows are going to be driven out into the country to feed calves and set clucking hens."

We call it a serious half-truth because he seems to think that if city people get on the farms all our troubles will be over. But what then of city production? The shortage of foodstuffs is not the only problem to be solved. The same conditions apply to other products. It is almost as important that we should have clothing, fuel, etc., as that we should have food. Greater production is the need of the day, but it is not confined to the farm. And careful spending can also be made a factor in bringing about a readjustment, especially when the Government is about to launch a $250,000,000 loan.

THE WESTERN BUDGET SUPPORTERS

BECAUSE R. C. Henders, as a representative of a Western constituency in Parliament, dared to vote upon a tariff issue—as raised by the McMaster amendment to the White Budget—in the country's best interests according to his own lights and convictions, he has been forced from the presidency of the Manitoba Grain Growers' Association. Further, he has brought upon himself the condemnation of the *Grain Growers' Guide*, which evidently presumes to speak for all the Grain Growers' organizations—and that condemnation also applies to others who voted with Mr. Henders for the Budget.

And Mr. Henders and the other Westerners quite properly claim that in their course they did not go back on their political creed or convictions. They merely had the courage and intelligence to support what appealed to them as being a business-like compromise. They realized that in settling national affairs there must be give and take if all the varied interests of a great country are to be effectively served.

The view which the *Guide* takes of the matter indicates that it considered Mr. Henders merely as a "rubber stamp" for the organization of which he was president, without the right to in any way exercise his own judgment in the interests of those who had the confidence to elect him. It says:

> It is not easy to make out how Mr. Henders, when he thus placed himself on record in Parliament, can have failed to understand that he was thereby destroying his right and title to be regarded any longer as a spokesman of the organized farmers. Such an ending to his record of long years of identification with the movement of the organized farmers is sad to contemplate.

THE FINANCIAL POST inclines to the opinion that the *Guide* misrepresents Western opinion. We have always taken the ground that the farmers were willing to meet the tariff issue on a reasonable basis and the action taken in regard to Mr. Henders' resignation was very likely only by one of those minorities of radicals which are causing so much unrest by their activities in various public bodies. We are not going to change this opinion now. The need for bringing more Westerners to see the necessity for an intelligent national policy, in which the interests of the manufacturer will have some consideration as well as those of the farmer, is only emphasized.

As for the attitude of the *Guide*, it can only be taken for granted that it accepts that as organ of the Manitoba Grain Growers' Association it has no more right to an opinion of its own than had Mr. Henders as president.

TAXATION DISCOURAGEMENT

THAT unduly burdensome taxation on business tends to defeat its own object by killing the source of revenue is well, if unintentionally, brought out in a recent letter of Charles S. Keith, president of the National Lumber Manufacturers' Association, to the National City Bank of New York.

Mr. Keith wrote primarily to point out that the Bank's "Bulletin" had been unduly optimistic in forecasting that we would probably be able during the coming year to meet the anticipated demand for lumber, as for other materials. But, after citing the serious stumpage depletion already existing in some of the principal timber-producing sections of the country, Mr. Keith continues:

> "In addition to the above, a very peculiar condition exists. The present revenue laws have a tendency to curtail production rather than increase it, for the reason that night running of the saw mill business to increase production decreases the invested capital per thousand feet of annual production. Increased production decreases the exemptions under the War Excess Profits Tax, while curtailed production increases the exemption, with the resultant effect on the tax.
>
> "Notwithstanding the fact that prices have been stimulated by reason of extraordinary demand, the tendency is to refrain from increasing production for the reasons aforesaid."

THE STANDARD RELIANCE SCANDAL

THE revelations regarding the operations of the Standard Reliance Corporation are startling in their indication of how the interests of investors have been mishandled. There is much talk about a full and searching inquiry. This may be very good politics on the part of the Government, but it does not shift the responsibility from that quarter, nor does it promise much satisfaction to the investors to learn how their money has been lost.

As THE FINANCIAL POST has previously emphasized, the protection of the interests of shareholders, depositors and debenture holders in loan companies is not a matter for further legislative action. It is a matter for the enforcement of legislation which is now and has been on the statutes of the Province. An efficient, practical superintendent of loan and trust companies, with powers such as granted under existing acts, would be able to bring to the attention of the Government cases where directors were speculating with investors' funds and action could be taken to guard their interests.

An ounce of prevention is worth a ton of such investigation as is now proposed in the Standard Reliance affair.

A SHORTAGE OF UNSKILLED LABOR

A FEW months ago there was a good deal of apprehension throughout Canada lest there should not be enough work available to provide jobs for all in need of employment. The word "employment" was frequently heard and its probable consequences seriously discussed. To-day, strangely enough, the situation is largely reversed and there is now a certain amount of fear that, instead of there being a shortage of jobs, there may be a shortage of labor to fill them. This applies particularly to unskilled labor.

It is reported that the supply of unskilled labor on this continent is being rapidly drained off to Europe by emigration. It is said that not less than a million of this class will depart for Europe as soon as they can get transportation. Forty thousand coal miners are returning to Europe. The big shipbuilding corporations in the United States are worrying over where they are to get the supply of unskilled labor which is always required as complementary to the skilled mechanics. In England the building of dwellings—a highly necessary work—is being held up for the lack of both skilled and unskilled builders. A New York paper says: "It is possible to get bricklayers; but bricklayers' laborers and other so-called unskilled laborers are getting to be mighty scarce." The fact that Italian and other laborers are going back to Europe, taking the harvest they garnered during the war with them, has led some builders to make the suggestion that Oriental laborers should be temporarily imported—a proposal not likely to be taken seriously.

This same shortage appears to exist in many parts of Canada also. Taken together with the fact that a large part of such supply of unskilled labor as we have has not been producing owing to strikes, it constitutes a serious situation. Building operations have been hampered all summer, with the result that there will be little inside finishing work when winter comes on, such as there would otherwise have been.

A good many of the returned men have been deliberately refraining from getting work, feeling naturally enough, that they are entitled to a breathing spell after what they have been through. But their gratuity will be exhausted before the winter, in all probability, and they will then be seeking work, which will help to adjust the situation.

EDITORIAL NOTES

WHILE such public ownership advocates as the Toronto *Globe* are agitating for municipal rights they should not overlook that there has always been under the British constitution such a thing as individual rights.

* * * *

THE attention of Hydro-radial enthusiasts is directed to the announcement that Henry Ford has devised a gasoline railway car which it is claimed can be operated more cheaply than steam or electric traction.

* * * *

A COMPETENT critic in the Edinburgh *Review* recently said: "Under influences which would repay analysis, the last fifty years have been a period of deterioration and of lowering in public ideals. The ascent may be less easy."

* * * *

SIR ADAM BECK endeavored to impress a Guelph audience this week by bragging of what high wages are being paid to employees of the London and Port Stanley Railway. Obviously it was intended that the impression should prevail that wages on the Hydro Radials generally will be equally extravagant. For the chief executive of the Hydro to endeavor to buy the support of labor votes by paying abnormal wages reveals one of the most dangerous weaknesses of public ownership. It means taxing the people generally to give to a few something to which they are not entitled.

VANDERLIP DISCUSSES THE LABOR AND SOCIAL PROBLEMS OF EUROPE

Lack of Frankness by Employers With Regard to Profits Being Made Regarded as a Serious Factor in the Industrial Unrest

Continued from last week.

Opportunity for American Banks

The role that American banks can play in the credit situation in Europe is of vast importance, and if they will hold firmly to the lines of sound commercial banking it is a role which they can play with security and profit. Never was there greater need, however, for a firm grip by bankers on the fundamental principles of sound banking. There will be presented most attractive opportunities to make bank loans under conditions and for terms that will take the loan out of the category of proper banking and put it into the form of financing. If bankers are firm in adhering to principles they will leave such loans to be worked out in other ways and will perform their true function by making loans that have within themselves the inherent power of self-liquidation.

I am quite aware that great and apparently successful systems of banking have been built up on the continent in apparent disregard of the principles which I have here been emphasizing. The German banks were deeply interested in German industry. The same is true in a measure of Italian banks to-day. In France too little encouragement has been given to industry by the banks and too much emphasis has been laid upon the profits made by floating securities. If some of the billions of French capital, which under the stimulation of banking propaganda found its way into Russian and Turkish loans, had been invested in French industry, the present position of France would be less unhappy. In England the sound traditions of commercial banking have been much more closely adhered to than on the continent, but England is now off the gold basis and her banks are encountering obstacles in the field of world-banking which seemed very difficult to surmount.

American bankers have an opportunity in the field of world banking brilliant beyond any conception which they have heretofore had. If they will rise above the provincialism in which they have been trained and still hold firmly to the principles of sound commercial banking, the role which they will play in the future world of finance has no limit that I can see.

CHAPTER XI.

"Comfort and Liberty"

The motto of the chief Syndicalist organization of to-day, the Confederation Generale du Travail of France, consists of two words—"Comfort and Liberty." Here is the key to an understanding of the greatest problem of the age, the labor problem. If one will grasp in their significance what these two words connote in the mind of labor, he will have pretty much the whole story of labor's aspirations. By comfort is meant a larger share in the earnings of industry; by liberty is meant a less subordinate position in industrial surroundings and social status. It has been keenly observed that the aspirations embodied in these claims have been ripened by the war, which has quickened the consciousness of merit in the laboring classes.

A man who has had enormous experience during the war in handling the English labor situation, Sir Lynden Maccassey, sums up the essentials to peace in industry under the three headings of Contentment, Co-operation and Production.

Factors of Contentment

The factors on which contentment depends, he says, are in their respective order of importance:

1. Security of employment.
2. A voice in fixing conditions of employment.
3. Remuneration and a fair division of profits.
4. Working hours.
5. Prevention of profiteering.
6. Housing.
7. Economic education.
8. Opportunity to rise.

The factors on which co-operation turn depend on:

1. Elimination of suspicion.
2. Creation of confidence between employer and employee.
3. Recognition of their mutual community of interest.
4. Machinery for facilitating co-operation.

The final factors upon which production primarily depends are:

1. Economic education.
2. Modernization of their methods by employers.
3. Repudiation by labor of limitation of output and of demarcation restrictions.

The significance in this catalogue is the arrangement in respect to the order of importance of the different factors. Only preceded by the factor of the security of employment is the weight given to having a voice in fixing the conditions of employment. That I believe is giving its just weight to this aspiration of labor. I found the situation the same in every labor community where I had the opportunity to observe conditions. There is a determination on the part of labor to have more to say about conditions of its job. No matter in what country one studies this all important matter he will find the wage question is subordinate to the question of the worker's status. There is a determination to have a larger share in the profits of industry, but there is even a stronger determination to see to it that society no longer regards labor as a mere commodity, and, instead of that, that society shall grant to labor, not as a concession but as a right, a voice in determining immediate industrial surroundings, rules and regulations under which labor will work.

Chaos in European Industry

There is to-day nothing short of chaos in European industry. One phase of it is manifest in the enormous unemployment encountered in every country except Spain. In England 1,000,000 workers receive £1,250,000 a week in "unemployment wages," and in addition England is subsidizing wheat by selling it for less than cost, so that this form of contribution is costing the nation £50,000,000 per annum. The present unemployment figures, it is thought, are certain to increase. In Belgium the percentage of unemployment is far more serious with 800,000 in that comparatively small community receiving "unemployment wages." The situation in France and Italy is little better. The effect on the industrial life of the nation of this system of unemployment doles would make in itself the basis of an illuminating study. No matter how serious consequences one may trace as likely to follow these vast national disbursements, it may as well be admitted on the start that they were absolutely necessary. If the war industry had ceased and armies had been demobilized to return to hunger and idleness, the foundation of the capitalistic order would have crumbled. There is perhaps a question as to the wisdom of paying the unemployed without exacting anything in return, although the difficulties of organizing any national work that would have absorbed this labor in a way that would not have been too obviously making a man perform a useless task, would have been, it must be admitted, very great.

In England the weekly unemployment dole is 29s. to men and 25s. to women, with an additional amount for each dependent child. This is a sum certainly none too large to maintain a self-respecting standard of living, although it is larger than were the wages for a full week's labor in many lines prior to the war. It is admitted by every one that the system is being abused, that men are declining to work because they would rather loaf and draw the dole.

Under the rules of administering this unemployment fund the Government must present to a man an opportunity to labor at his particular trade before it may cut off his claim to the unemployment gratuity. There is in England an extraordinary immobility of labor as between the various trades, and an extremely sharp line of demarcation in respect to which trade a certain kind of work falls. It naturally follows that there are many stories related of how men decline to work at this job or that because such job does not fall exactly within the defined limits of their particular trade, and the men sit idly consuming Government charity while useful tasks remain unperformed.

A man of very high position in the financial world of the city told me this story. A man had been in his employ as a gardener, but left that work to become a repairer of roads. Municipal economies stopped road repairing and the laborer began to draw his unemployment wage. Having a large family his weekly income from the Government amounted to 36s. My friend met his former employee and offered him 35s. to resume work in his garden. This he hotly declined, as he said he was receiving 36s. for doing nothing. My friend then appealed to the authorities and charged them with wasting the taxpayers' money, but they replied that this man was registered as a road repairer, and they were bound to find him a position as a road repairer and pay him unemployment wages until they succeeded.

This tale was told to me for the purpose of throwing light on the abuses that were going on under the Unemployment Act. As a matter of fact, while the story may be useful for the purpose intended, it is even more illuminating because of the light that it throws on the attitude of employers. A man of wealth owning an extensive country place and attempting to command the labor of a man who had a large family to support by offering him 35s. a week with the present cost of living in England taken into account was trying to get his gardening done at a wage that must have meant the barest subsistence of the worker. There are easily two points of view from which to regard the employee's refusal to give up his 36s. a week of unemployment dole in order that he might earn in the sweat of his brow a wage below a point which would support his family at a minimum standard of existence.

Another difficulty that is encountered in the administration of the unemployment fund is met in the large number of women who were formerly in domestic service, but who entered industry during the pressure for war production. They register as machinists or at least as skilled industrial hands; they decline again to accept domestic service, and the Government finds itself in the position of supporting them, while the English mistress is in despair because of her inability to get servants.

The effect on moral character of these huge Government disbursements to the unemployed raises extremely serious considerations. There has been an awakening consciousness in regard to society's responsibility for unemployment and there is little likelihood of European industry returning to its pre-war situation in which the lack of security for labor was always uppermost in labor's mind. The unemployment doles are in no sense regarded by their recipients as charity, but rather as a human right which should be one of the first charges on the public purse. Economic ignorance leads men to think that the public purse is bottomless, and that their Government, if not the world, owes them a living. They feel that they are not necessarily bound to do any work in order to collect the debt.

Employers generally admit the necessity and the justice of a national unemployment scheme, but they universally feel that the plan should be contributory and that employers and employees and the nation should each bear a part of the burden. There are some trade unionists who strongly object to a contributory system and even declare the present system is unjustly administered, their aspiration being for grants from the Government in case of unemployment, the grants to be made direct to the labor unions and to be distributed by them.

Labor's Social Status

It seemed to me that the most important thing for American employers to grasp is the significance attached by workingmen to bettering their social status in industry. At home I try never to miss an opportunity to gain enlightenment on the workmen's point of view and I have been increasingly impressed with their desire for a larger voice in management. They do not want a voice either in the management or the responsibility of the business office, but they do want more to say about the immediate industrial conditions in which they work. I am thoroughly convinced that that aspiration is now world wide and that America will feel the demand as strongly as it is now being felt in Europe. I believe it is a demand that American employers should heed and that it should be met not merely by forced and grudging concessions, but rather from the point of view which is now held by many English employers. It is declared that what the men want is to be treated as intelligent participators in industry, to be consulted and have things explained to them. It is a reasonable and logical claim and employers themselves believe they will have to concede it.

English employers believe that production hinges on contentment, that contentment cannot be secured merely by wages, and that if labor is given a larger voice in the management of the purely industrial conditions of the shop there will be not only a growth in contentment, but there will be a co-operative spirit in which men will bring their brains as well as their muscles to the task of production. They feel that from capital's point of view every such concession will be far more than compensated in the increased production secured.

The war resulted in the relinquishment by union labor of many of its rules which have in a steadily increasing degree hampered industry. There is still a widespread economic fallacy in labor circles however. Labor believes that a restriction of output is beneficial to the worker. The effect of that fallacy is again coming sharply into evidence. There is a widespread belief among workers that industry can be carried on with much shorter

Continued on page 14.

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

ILLINOIS TRACTION

G.M.F., Victoria.—"I hold 5 shares of the Illinois Traction preferred. Kindly advise me whether these are O.K. or whether to sell and buy othrs."

There is practically no market at present for shares of Illinois Traction Co., and if you did decide to sell, it would probably have to be at a considerable sacrifice. Traction companies, as you are aware, have fallen on evil days, though we would be inclined to think that the worst was over. At any rate, thanks to increased fares on some of their systems, the company was able to show some improvement in net earnings for the first six months of the year. We think you might as well hold this stock for a possible improvement in the affairs of the company.

HARDGRAVES MINES

W.F.F., Ontario.—"I hold 2,000 shares of the above stock for which I paid in the neighborhood of 15c per share about two years ago. Will you kindly give me what information you can regarding this stock and if there is any prospect for it to "come back" in the future.

There are two quite pronounced opinions about this property. We find mining men who say, that while the mine has some rich showings of ore, there is little or no continuity in the veins, and it will never be a successful mine. On the other hand, there is an element who feel that if it is only given a chance it will prove to be a winner. As you see, it is all very speculative and we would not care to express an opinion as to which is the correct viewpoint. As the conditions attaching to silver mining are so unfavorable at present, owing to labor troubles, we would conclude that it would be a poor time to try to sell out in any case. Consequently, you might just as well hold on. There will doubtless be further efforts to work the property and, if any measure of success attends these efforts, it should soon be reflected in the price of the stock. You could then decide as to the advisability of holding on or selling out.

CANADA CEMENT

C. A. W. S., Ontario.—Would be glad to have your opinion of Canada Cement common as a reasonably safe investment.

In connection with this stock the statement of the general manager, F. P. Jones, always stands out as promising, that during the war, with its normal production greatly restricted, and without taking munitions profits into account at all, cement paid all its fixed charges. Now with export business opening up through Belgian products being required for reconstruction at home, and cement road building increasing, and the gradual return of construction, we look for Cement Company profits to grow steadily. If munitions profits did and do not result in an extra distribution to the manufacturers, at least they served to place the company in an excellent financial position.

RIORDON PULP

Ottawa.—Would you consider Riordon Pulp and Paper common a reasonably safe proposition for one who is not dependent on dividends for a living.

Its prospects are very promising. The ordinary pulp mill is at the mercy of variable prices of pulp, and a demand that is up and down frequently, but the Riordon mills are turning out such a high grade quality that their market can almost be said to be steady. The greater part of the output goes to the United States, and those who planned the new Kipawa mill (for bleached sulphite) at Temiskaming, believe that the produce will hold its own with the best grade that the Scandinavian mills can turn out. Previous to this the foreign product was superior to anything Canada or the U. S. could produce. Moreover, European competition will be more or less eliminated for some time so that a market is assured for the Kipawa pulp from the first. The mill will start producing in November, and as Riordon has control, it should be an asset almost from the start. The change over of the Merritton mill, from unbleached to bleached sulphite pulp, has also proved a wise and highly profitable move. The control of the Ticonderoga Pulp & Paper Co. will again mean a big dividend for Riordon, as this plant earns each year far more than 100 per cent. of its capital.

We look for Riordon stock to go to much higher levels, and the ten per cent. dividends also to increase. The recent move does not, in our opinion, mark the high point that will be reached.

WOODS MANUFACTURING

C. W. S., Ottawa.—I shall be very grateful if you will tell me if the Woods Manufacturing Company preferred is what might be called a confirmed dividend-payer.

We hear excellent reports of this company's business and prospects. This year's results should mean increase in present dividend of 7 per cent., which the president at the last annual meeting intimated would go up if the year 1919 turned out according to expectations. During the year stock has fluctuated on dividend prospects but we believe it will repay holding. The cotton fabric mill at Welland is an excellent asset.

HURON AND ERIE

Lennoxville—I have been for a number of years a shareholder in the Huron and Erie Mortgage Corporation, of London, Ont., my holdings amounting to 44 shares fully paid and 61 shares 20% paid stock of the par value of $50. As no doubt you are aware, a few months ago the company decided to change the par value of the stock from $50 to $100 and asked the return of the scrip to be exchanged. I was surprised to receive new certificates for the same number of shares at $100 par, that I had held at $50. In the list of stocks on page 15 of THE FINANCIAL POST for June 28, you state in one column that the Huron and Erie stock is on a 12% basis and in the next column that the last quarterly dividend was 1½%. My quarterly dividend cheque amounts to $84.30, which, according to my way of calculation, was 12% on my stock at its previous par value.

The old issue of Huron and Erie stock was for par value of $50. For the convenience of market quotations two shares were always quoted as one. This two $50 shares, each bearing 6% or 12% on the $100 represented, were sold around 206 to 207, showing something under 6% at the market value. This arrangement was so awkward and confusing that in February last a proposal was made to the shareholders that a new issue of stock be made of a par value of $100 for each share. Holders of each $50 share received under this arrangement a certificate for a $100 share. The dividend remained the same, that is 6% on each share, but under the new arrangement only showed 6% on the par value compared with 12% before. The new $100 shares are now quoted around $106 which indicates an improvement in the market, representing the same basis as $212 for two of the former $50 shares, which sold around 206 to 207.

There is practically no difference in the shareholder's position. He now has stock par value of $100 as compared with $50 before and receives a dividend of $6 on each share also as before. The convenience is that it is much simpler to market the $100 shares than to have the rather confusing quotations of two $50 shares linked together. Take for example your forty-four fully paid shares. Under the old conditions at $207 for two shares they had a market value of $4,554. Your forty-four $100 shares at $106 have a value of $4,664. The difference is the improvement in the market for the stock which has taken place in the last few months in common with all high class securities. As to your partly paid stock our understanding would be that you would pay up the balance of 80% on the $50 basis and then receive a new $100 certificate. As for our quotations in the large stock table the present dividend is 1½% quarterly or 6% per year on the new issue which is exactly the same thing as 12% on the $50 share.

We do not see any reason why you should dispose of this stock at the present time if you are desirous of maintaining a high class investment of this kind. The Huron and Erie is one of the most reliable and best managed mortgage companies in Canada, and the future of these companies has been considerably improved by the ending of the war and the prospects for increased demand for mortgage funds particularly in Western Canada. These companies have been subjected to some unfavorable legislation by the different Provinces but we do not see that there is any danger of their position being seriously undermined in this way. There is no double liability in connection with stock of this kind.

DANDURAND BUILDING

Several Inquiries—"What is your opinion of the Dandurand building issue of $480,000?"

We understand that for the present the Dandurand issue has been withdrawn, pending the settlement of certain legal technicalities. Whether it will be issued in the near future is uncertain. In the meantime the Credit Canada, Limitee, have returned to those who subscribed for the bonds the amounts forwarded together with interest covering the period during which the money was in their possession. Under these circumstances an opinion as to the issue itself would be unnecessary.

PERSONALS

C. A. HOLLAND, Vancouver managing director of the British Columbia Land and Investment Agency, Limited, Victoria, is leaving early in August for an extended holiday in Great Britain. He expects to be gone for several months.

GUY TOOMBS, widely known in Eastern railway circles, is resigning from his position as assistant freight traffic manager of transportation for the Canadian Export Paper Co. Mr. Toombs has been connected with railways for the past 27 years, and the past eighteen years has been connected with the Canadian Northern.

HENRY W. GIVINS, superintendent of the Western Branches of the Canada Trust Company and the Huron and Erie Mortgage Corporation, with headquarters at Regina, is in British Columbia on pleasure bent. While in Vancouver he was much in the company of Hector M. Forbes, British Columbia manager of the Toronto General Trust Corporation.

S. R. CALDWELL, who has been elected a director of the Midland Loan and Savings, is retiring from the farming business and some time ago purchased a property in Port Hope, where he expects to move in a few weeks. He has for several years past been tax collector for the Township of Hope; is a man of good business ability; a successful, practical farmer and will bring to the Board those qualities which the late Henry Mulligan (whom he succeeds) possessed to such a marked degree.

REGINALD McKENNA, who has been elected chairman of the London City and Midland Bank in succession to Sir Edward Holden, who died last Wednesday in Scotland, and who has decided to abandon politics and has withdrawn his candidacy for the seat in Parliament for Pontypool, has been prominent in British politics and has held at various times high positions in the Cabinet. He has been Chancellor of the Exchequer, Home Secretary, First Lord of the Admiralty, and President of the Board of Education. In May of the present year he was elected a director of the London City and Midland Bank and on the death of Sir probable successor of this prominent financier.

H. A. ROSS has been appointed manager of the Victoria branch of A. E. Ames & Company, with headquarters at 310 Belmont House. Mr. Ross was secretary to the Imperial Munitions Board under the direction of R. P. Butchart. British Columbia is growing as an investment territory and this is the first step of a large eastern house to establish a branch in this province. Hitherto eastern houses have dealt through Vancouver and Victoria agencies and these and local houses have handled the business up to this time.

JOSEPH A. BRODERICK, secretary of the Federal Reserve Board and Chief Examiner of Federal Reserve Banks, has severed his connection with that body in order to become a vice-president of the National Bank of Commerce in New York. Announcement of his resignation and his new appointment was made simultaneously by the board in Washington and the bank. He was born in New York thirty-seven years ago and went to school there. He began his banking career as an office boy with the old State Trust Company, which later became the Morton Trust Company. At the age of twenty-eight he became an examiner for the New York State Banking Department and two years later went to Europe to study foreign branches of American banks and to apply a system of examination of foreign exchange departments which he had developed. He organized the Credit Bureau of the department. He rendered conspicuous srvice when, as a result of his investigations, three prominent banks in this state were closed on charges of mismanagement and irregular practices. Later he aided Charles S. Whitman, then District Attorney, in the preparation of the cases against the bankers responsible for the failure of these institutions.

CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals.

Their reproduction does not imply their endorsement. On the contrary, the investigations of THE POST'S editors often lead to entirely different conclusions from those quoted below.

ECONOMIC STATUS OF THE FARMERS

Commercial West

President Wilson did the sensible thing in vetoing the bill to repeal the daylight saving law and Congress discreetly refused to pass it over his veto. This attempted repeal was credited to a general demand from the farmers, who claimed they could not get as much work from their help, that they lost time in waiting for the drying up of the morning dew and suffered several other hardships. Just why farmers need to observe the new time schedule is not clear. It is a simple matter for them to start work at five, six or seven o'clock, regardless of clock time. If there are any old fashioned farmers who still work from sunrise till sunset, the daylight saving act has no effect on them, as it has not changed the time for the sun to rise.

For the city and town dweller and all industrial workers the new time is a distinct gain, as he has an extra long evening for work at home, or whatever play or recreation he needs. As the law is a benefit to so many millions and need not interfere with any hours the farmers decide are best suited to work on the farm, it is well that common sense prevailed, and we are to use clock time to fit human wants and not let it be our master.

This incident exhibiting the law makers' alacrity in granting farmers' requests, is a reminder that we have acquired the habit of toadying to the farmers in everything. We have helped them with Federal and state agricultural departments and petted them in so many ways that they are prone to do the spoiled child act. Besides this the professional agitator and political demagogue has filled the farmers with so much tommy rot about big business abusing and robbing the farmers that he is over-chesty with his importance, and we are all liable to get mixed up in our economics.

No doubt the farmers are the backbone of society, but backbones don't need petting or coddling, but simply need to be left alone and not injured. Like many children of the wealthier class backbones need plenty of wholesome neglect. Unless they get out of plumb or need adjustment forget them. It is easy to show that farmers are in the same class as business men and industrial workers, and not in a class by themselves. In the first place farmers do not create wheat or meat any more than capital and labor create water, coal, oil and other products of nature. Business men, industrial workers and farmers are all utilizing the forces of nature and drawing upon natural resources to supply human needs.

As Others See Us

POOR MANAGEMENT OF THE P. O.

Collingwood "Bulletin."

For months the FINANCIAL POST has been hammering at what it terms a lack of administration of the Post Office Department. If it has had the experience of some other newspapers it is fully justified. Taking our own as a fair example we can give testimony to the fact that over and over again we have had complaints and suffered loss through the delinquencies of the service. Only this week we received a letter which sets out the annoyance and loss caused by the apparent carelessness. From the letter, which comes from the Canadian West, we quote: "I have this day received notice to pay the back account of your paper (the Bulletin). I always pay for everything I get, but I am certainly not going to pay for anything I don't get. I received your paper on an average once in two months and dated back when I did get them. I know of several families out here that are supposed to take the Bulletin and can tell the same thing. It is no fault of the Post Office here, as the other mail comes all right. Please take my name from your list. I thought you had stopped sending the paper, for I haven't had more than three or four this year." Upon investigation it is found that the name of the writer of the letter, who has been a subscriber for some years, is on the printed list and the paper is regularly mailed week after week, in the same order and same manner as copies going to other subscribers. The trouble cannot be in the Collingwood office, as the paper is not returned for "better direction," as the staff here usually do in order to facilitate the publishers, hence the trouble must be en route. Not to mention the loss of subscribers by the newspaper which in itself is serious, exasperating indeed is it to the subscriber to miss a paper that should come regularly or to receive it weeks behind time. There is something wrong, some weakness somewhere that should be removed. On the face of it there is a greater work for the department than warring over a wage and hours with a comparatively few posties in a number of the cities. Service is the need of the hour.

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NEWS OF THE BOND MARKET

NATIONAL LOAN ANNOUNCEMENT CLEARS THE AIR

Quotations for Government Issues Show Brisk Advance

GENERAL MARKET

Situation Firmer as Indicated by New Issues of Week—Outlook Regarded as Being Satisfactory.

The announcement from Ottawa regarding the forthcoming Dominion loan, and particularly in connection with the decision of the Government to make the issue subject to income tax, has had the effect of clearing the air in bond circles, and the market has shown material improvement. Not only has there been a general advance of the quotations for the outstanding tax-free Government issues, but this strength has been reflected in the general market where there is an improved tone, and where there has been a stifefning of the quotations for the several issues which have been disposed of during the week. However, the opinion of dealers is that the opening of the tenders for the Ontarios on Monday will give a better gauge of investment opinion.

Apart from the decision with regard to the taxation feature, the Government announcement following the conference between the Minister of Finance and the Bond Dealers' Association on Friday last, held nothing of vital interest. The amount of the loan at $250,000,000, the interest at 5 per cent., and the five and fifteen year terms were in accordance with the impressions which had prevailed in bond circles. As to the price terms there is nothing definite, but from the manner in which the tax-free bonds have been strengthening during the past few days it is generally accepted that the offering will be at par, a figure which can be most readily grasped by the smaller investors.

Facing the Issue

In deciding for the taxable bond the Government was evidently influenced by political considerations in addition to the economic arguments. There was. to consider not only the question of revenue and the advisability of getting the national finances to a more permanent basis now that the military emergency has passed, but also the generally antagonistic attitude of the people towards anything that savors of special consideration for the wealthy class. The financial benefits to the nation, however, through tax income are to some extent counterbalanced by the fact that the rate of interest will undoubtedly be higher than would have been the case in the event of a tax-free bond.

The selling organization will be perfected along the lines which proved so successful a year ago, and it is not expected that there will be any difficulty in making satisfactory arrangements between the bond dealers and the Government, although it is felt by many of the former that their services have not been appreciated as they should have been in view of the results accomplished. There has been a tendency to merely look at the amounts paid to the different people taking part in the organization, in relation to actual canvassing, without giving consideration to the great amount of work done weeks before and after the actual campaign to the serious detriment of normal business.

The week has seen an improvement in the general bond market situation as a reflection of the effect of the Ottawa announcement on the Government loan market. Quotations have stiffened and the demand has improved. For summer trading conditions are comparatively brisk with many houses. As to the immediate future the general opinion is that fairly satisfactory conditions will prevail during September, although, of course, the approach of the Government loan will not only have its effect upon the operations of the bond houses, but will also affect the market to the discouragement of other issues.

Sales announced during the week included issues of North Bay and Scarborough and York townships. Tenders for a Charlottenburg township issue were also opened but no award was made. Tenders for issues at Trenton, Dundas and Preston have been called but there is no news as to the results.

The Scarborough township issue was of $40,000, 6 per cent., and $25,000 6 per cent. The sale was to G. A. Stinson & Co. at 104.10, indicating a rate of approximately 5.6 per cent. to the seller. The $40,000 issue is repayable in twenty-five equal annual instalments, and the $25,000 in thirty annual instalments.

The North Bay issue of $52,500 went to Aemilius Jarvis & Co. at a rate of approximately 101. The bonds are for 20 years and bear interest at 6 per cent., the cost to the municipality being about 5.8 per cent.

The York Township issue of $10,000 20-year sixes went to G. A. Stimson & Co. at 103.21. Following is a complete list of tenders:

Bank of Commerce	104.189
G. A. Stimson & Co.	103.21
Aemilius Jarvis & Co.	103.07
C. H. Burgess & Co.	101.89
Dyment, Anderson & Co.	101.03

The bidding for the North Bay and Scarborough issues was not brisk, this condition bearing also upon the Charlottenburg tenders, which were not accepted. The proposed issue was for $30,000 at 5½ per cent. The tenders, three in number, were as follows:

Prudential Trust Co.	$29,410.50
A. E. Ames & Co.	29,272.00
Wood, Gundy & Co.	28,884.00

Tomenson, Forwood & Company have bought $8,255.30 Township of Roxborough 6 per cent., 15 instalments.

SASKATCHEWAN TO MARKET OWN BONDS

Will Provide Outlet for Enormous Sums of Money Available in the West.

The marketing of municipal bonds, in Saskatchewan by a local Government Board, as announced this week, is looked upon as a move in the right direction. Bond men in Toronto express themselves in approval of the scheme. They point out that the plan will be the means of finding an outlet for the enormous sums which the West has for investment. These sums at present are said to be far larger than at any previous time, and selling bonds in the West is a comparatively easy matter. The establishment of the Government bureau would assist the townships and municipalities materially. With the creation of a municipal bond exchange under the supervision of the local Government Board all municipalities who place bonds on the market will have them handled by the Local Government Board.

The Saskatchewan Government hopes to have legislation introduced at the next session of the Provincial Legislature which will give power to the board to handle municipal bonds. The machinery once secured, the board will have an organization ready to sell bonds of any city or town in the Province.

The main idea underlying the new departure is to provide the machinery for the rural municipalities, school districts, telephone companies, etc., which have small issues to place on the market, whereby the bonds can be sold to the best advantage and with the least cost.

WILL SELL ISSUE OF DONNACONNA BONDS

Royal Securities Corporation of Montreal Has Purchased $1,750,000 Six Per Cents.

The Royal Securities Corporation of Montreal has completed negotiations for the purchase of $1,750,000 six per cent. 21-year First Mortgage Sinking Fund bonds of the Donnaconna Paper Company, Limited. The company is one of the first rank pulp and paper corporations of Quebec Province, its plant being situated at Donnaconna, Quebec, at the junction of the St. Lawrence and Jacques Cartier Rivers, 30 miles west of Quebec City. It is chiefly known as the producer of 30,000 tons per annum of newsprint paper, in addition to which it manufactures annually about 18,000 tons news sulphite pulp and 37,000 tons groundwood pulp.

The new financing, it is understood, is to cover large expenditures incurred on extensions during the past few years, and will render possible the aggressive development of its largely increasing business.

ALBERTA SCHOOL DISTRICT

The following is is a list of Alberta School District debentures on which tenders closed on July 24:

Cardiff, $4,000, Manufacturers Life Insurance at 100.75; Mars $1,800, and Fawn Hill $2.500, Manufacturers Life at 101; Woodrow $2,000, and Holm $900, W. Ross Alger at 100.55; Valley Gardens $2,000, Manufacturers Life at 100.75; Pathfinder $2,000, Manufacturers Life at 100.50; Green Prairie $2.500, Manufacturers Life at 100.80; Allied $2,000, Manufacturers Life at 100.75; Half Way Grove $500, Manufacturers Life at 100.05; Lusitania $2,000, Manufacturers Life at 100.50; Soda Lake $1,200, Canada Landed and National Investment, at 100.958; Cereal $1,000, Canada Landed and National Investment at 101.10; Frisco $500, Manufacturers Life at 100.05.

WINNIPEG'S NET DEBT REDUCED DURING THE WAR

Three Conversions Were Made on a Favorable Basis

GOOD ARRANGEMENT

London Bonds Taken Up and New Issues Made in New York Bearing Higher Rate of Interest

During the war several Canadian provinces and cities were able to reduce their outstanding indebtedness by purchasing their bonds in London and issuing new bonds in New York bearing a higher interest rate. While the result of these conversion operations has been to increase the annual interest charge, the Bond Buyer points out that sinking fund and other charges have been reduced.

Winnipeg, Man., is a conspicuous example. During the war period this city has made three conversions and a comparison shows that a reduction of nearly $8,000,000 in net debt was effected between April 30, 1914, and the corresponding date this year. Some of this reduction was due to conversion and some to increased assets set aside for the sinking fund.

The following extract from the latest report of the sinking fund trustees explains the latest conversion of London-owned bonds into a new issue sold in New York:

"In 1914, at April 30, the gross debt of the city was $41,802,919.07 and the sinking fund $4,609,086.85, leaving the net debt $37,193,831.22. At April 30, 1919, the gross debt was $38,757,397.94, leaving a net debt of $29,300,428.10, a reduction of $7,893,403.12 in the net debt within five years of war.

"In the fiscal year under review, an important feature is manifest in that a third conversion of city of Winnipeg stock has been completed. Stock of the 1940 maturity amounting to $535,333.33 at 4 per cent. was bought in and cancelled and a fresh issue of debentures amounting to $404,000 at 5½ per cent. was issued to replace the cancelled stock, this resulting in a net reduction of the city debenture debt by $131,333.33. The new debentures are for the same maturity as the cancelled stock and while there is an increased annual interest charge of $806.67, the conversion has eliminated an annual sum of $2,413.79 on sinking fund levy, commission and stamp duty charges, making a net annual saving of $1,607.12, which will continue for 21 years. The stock was purchased in London and the debentures issued in New York.

"As a result of this and the two previous bond conversions, the debenture debt of the city has been reduced by $1,417,292.35."

SPANISH RIVER ISSUE

Confirmation is Officially Issued by the Company

MONTREAL. — Official confirmation of the announcement was made a day or so ago of the completion of the Spanish River Pulp and Paper Co.'s financing. An issue of $3,500,000, 10-year, second mortgage notes has been sold in the Chicago financial house of Peabody, Houghteling & Co., which has been prominent in other Canadian pulp and paper affairs. The rate of interest arranged and the details of the offering of the issue are not as yet disclosed, but it is understood that a portion of the probable public offering of the notes may be available to Canadian investors.

NIAGARA FALLS POWER

An Issue of $75,000,000 for Hydro Development

ALBANY. — The Niagara Falls Power Co. asked the Second District Public Service Commission to-day for approval of its first and consolidated mortgage, to secure an issue of bonds not exceeding $75,000,000. Authority also was asked to issue under the mortgage from time to time, series A bonds not exceeding $28,226,000 for refunding purposes, and $2,000,000 series A 5 per cent. bonds to reimburse the company for amounts expended or to be expended after January 1, 1919, for improvements, including electrical generating machinery and transmission lines.

A NEW BOND HOUSE

MONTREAL.—Under the title of H. B. Robinson & Co., a new bond house has been organized to handle Government, municipal and corporation securities. H. B. Robinson, the head of the concern, recently returned from overseas with the 13th Battalion. He started his financial career with the Bank of Montreal in 1896, and, after spending six years with that institution, left to study the bond business with N. W. Harris & Co., of Boston. Since 1911 he has been in charge of the Montreal office of J. M. Robinson & Sons, members of the Montreal Stock Exchange, with whom the new firm will be closely affiliated.

J. M. Robinson & Sons will continue as heretofore, with offices at St. John, Fredericton and Montreal.

Allied Packers, Inc.
6% Convertible Debenture Bonds
Due 1939
Interest Payable
Toronto, Montreal and New York

Prospectus on application.
Price 98 1/2 and Interest.

R. C. MATTHEWS & CO.
C.P.R. Bldg. Toronto

Money Doubles--

in 11 years, 265 days at 6%, compounded semi-annually. Let us help you to double your money. Special list of bonds sent upon request.

TURNER SPRAGGE & CO
103 BAY STREET TORONTO
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Government and Municipal Bonds
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GOVERNMENT and MUNICIPAL BONDS

McKinnon Building - Toronto

W. F. Morgan-Dean Geo. R. Harris

We Will Buy
$25,000
ONTARIO PULP & PAPER
First Mortgage Bonds
Due 1931

Morgan-Dean, Harris & Co.
Investment Bankers
Bank of Hamilton Bldg., Hamilton, Ont.

We offer
Canadian Woollens Limited
7% Cumulative Preferred Stock

Carrying with it a bonus of 25% in Ordinary Shares.

Let us send you full particulars.

Hanson Bros.
Bond Dealers
160 St. James St.
MONTREAL

Route Your Shipments
CANADIAN NATIONAL

SAGUENAY PULP & POWER COMPANY

6½%

SECURED GOLD BONDS

Maturing serially from 1921 to 1934.

PRICE 100 AND INTEREST

RENE-T. LECLERC
Investment Banker
160 St. James St. Montreal
Established 1901

Montreal Tramways and Power Company
Limited
Secured Gold Bonds
To Yield 6¼%.
Particulars on request

Green, Henderson & Co.
Sun Life Bldg., 60 Victoria St.
Toronto, Canada

$60,000
City of Hamilton
4 PER CENT. BONDS
Due June 1st, 1929.
Interest Payable June 1st and Dec. 1st.
Price, 89.65 and Interest.
To Yield 5.35 per cent.
Housser, Wood & Co.
Investment Bankers
Union Bank Building, TORONTO

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J. F. Stewart & Co.
106 Bay Street Toronto
Telephone Adelaide 2991

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Investment Bankers
Private wire service to principal cities in Canada and United States.
We specialize in Western Bond Issues.
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Trust & Guarantee
Sterling Bank
J. E. CARTER
Investment Broker, Guelph

WE OWN AND OFFER
$250,000
Allied Packers
Incorporated
6%
Convertible Gold Bonds
Due July 1st, 1939
at 98½ and Interest

A Bond with excellent security and considerable prospect of appreciation in value through the conversion privilege.

Particulars on Application

R. A. DALY & CO.
Bank of Toronto Building
TORONTO

Route Your Shipments
CANADIAN NATIONAL

FIELD OF MUNICIPAL FINANCE

EASTERN TOWNS ARE MAKING MORE IMPROVEMENTS

Post-War Period Marked by Reviving Municipality Activity

HALIFAX TAXATION

Single Tax Principle is Being Followed to Encourage Improvement of Property in the City

By Special Representative.

HALIFAX—The municipal issues this year in Nova Scotia have been on a larger scale than ordinary, due to the general desire in towns to effect improvements long delayed and which now are more or less pressing. Halifax is spending a million dollars on street paving and other work and such towns as Sydney, New Glasgow, Wolfville, Kentville, Bridgewater and Lunenburg, are making comparatively heavy expenditures out of funds obtained from the sale of debentures. The municipality of Halifax is carrying on a road policy on some of the highways leading out of the city which were among the very worst roads in the Province and the most used. New Glasgow recently sold $55,000 debentures to the Home Bank for town improvement and Pictou disposed of bonds this week to raise $100,000 to erect a county asylum.

The brokers in Halifax, probably in common in this respect with bond dealers in other parts of the Dominion, are finding the local investment market somewhat dull because of a larger quantity of issues of this kind than ordinary and on account of a weaker condition of the market generally, but chiefly because of the pending war loan and the uncertainty in connection with the terms of that great undertaking. A leading investment dealer in this city, in conversation on the subject with THE FINANCIAL POST, remarked that there was no doubt municipalities and towns which still had issues to make would find themselves compelled to accept lower prices for them than had so far been prevalent. He did not make any prediction as to how far this would go but he was positive it would be very material.

Tending to Single Tax

There are two classes of taxpayers in Halifax—those who have such use for their capital that they delay the payment of the civic demands to the last day even at the penalty of being called on for interest on overdue amounts and those who find it to their advantage to pay in advance and thus receive a two per cent. discount. The last day on which this discount was possible brought to the city hall ratepayers who passed over the counter the sum of more than $200,000 and every day for a week before large sums were paid in for a similar reason. City Collector Theakston, who is in charge of the tax collection, says that the payments in advance this year were greater than ever before in his experience. One reason for this may be that the taxes are much higher than hitherto. The rate is about three per cent. on the assessed valuation and this valuation is close to the market price in many though not in all cases. This year the tax was levied on a new principle, the rate on land being made three times as great as on the improvements or buildings thereon. This is done to discourage the holding of unoccupied land and to encourage the placing of buildings on the land. There is great need of this in Halifax, with an acute shortage of housing accommodation such as was never before known in this city.

SASKATOON FINANCES

Are Regarded as Satisfactory by Finance Committee

SASKATOON.—The finance committee of the city council had a heavy session recently, and passed judgment on 29 questions of finance of more or less importance. The committee expressed itself as satisfied with the auditor's report on the public utilities for the first six months, showing a net profit of $4,951, in spite of a deficit in revenue and expenditure of $8,653.54 for that period. It was pointed out in the report that the street railway lost $5,000 during the strike here and a like amount during the strike in the Drumheller coal district.

CALGARY'S FINANCES

A Balance for Half Year, Says Controller Wood

CALGARY.—The report of Controller W. C. Wood, showing a statement for the half year of all the departments of the city, of revenue and expenditure, has just been issued. In presenting the report the Controller says: "It is worthy of comment that, so far, all departments are in good shape, and to note the earnest determination to keep within their estimates.

Approximately every department has a balance of about half of their estimated expenditure, in some cases considerably more than half. In the summary of the whole statement of accounts, the appropriation for the year amounted to $3,013,597.92, and out of this has been expended the sum of $991,068.19, leaving a balance of $2,022,829.73. The expenditure for June of this year amounted to $204,551.02, which is only a very few dollars less than the corresponding month of last year.

SWIFT CURRENT FINANCES

Council Appoints a Committee to Consider Whole Matter

SWIFT CURRENT.—After a full discussion of the financial position of the city, the council has passed the following resolution:

"That in view of the discussion which has taken place in connection with the financial position of the city, that this Council appoint a committee of three from their board to act together with two ratepayers to be named to make a re-survey of the present assessment, and to arrange for the taking of a census of the city. Further that on this survey being completed that we arrange a joint meeting of this Council, the chairman of the Local Government Board, superintendent of the Canadian Bank of Commerce and a representative of Messrs. Wood, Gundy & Company to make a complete survey of the position of the city financees, this meeting to bring in a report as to the best solution of our financial problems, and that the Government Board be advised of our action, and be invited to send a representative to attend meeting of Committee on Re-survey of Assessment."

MUNICIPAL CONVENTION

Reorganization of Union of Municipalities Being Considered

One of the outstanding features of the nineteenth annual convention of the Union of Canadian Municipalities, to be held at Kingston from the 12th to the 14th August inclusive, will be the proposal for the reorganization and development of the union on the lines laid down by Frederick Wright, editor of the Canadian Municipal Journal.

Among the suggestions that will be made will be that the union be incorporated; that its scope be enlarged so as to include rural councils, and that a Board of Management, consisting of five elected trustees, together with the president and three vice-presidents, be appointed as a permanent body to administer the affairs of the union.

MUNICIPAL BORROWING

Big Market Has Prevailed in the United States

NEW YORK.—Including the additional June bond sales reported in July, the total for that month is no less than $92,138,475, according to the "Bond Buyer." This is the second largest monthly total in our record of State and municipal bond issues and is exceeded only by that for June, 1915, when New York City floated a $71,000,000 loan, bringing the aggregate up to the abnormal figure of $104,687,010.

July was likewise an active month with respect to municipal borrowing, $69,696,480 of long term loans being arranged for with the bond houses and banks during the month. With this addition the total bond sales for the year to date is brought to $378,123,922. This compares with only $152,693,866 for the first seven months of last year, $349,082,007 of bonds sold in the corresponding period in 1914 was heretofore the largest output on record, which indicates that State and city borrowing is now being effected in unusual volume. In 1914 the final total for the year was $445,905,510, sales in September, October and November being quite small.

As a rule heavy borrowing by the municipalities continues through August, by which time funds have been pretty well supplied to cover public work done in the summer months or contracted for up to the end of the open weather period. By December or January borrowing in anticipation of work to be commenced in the late winter or early spring weeks again swells the volume of new bond offerings.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

August 11, Province of Ontario.—$3,000,000 in five-year 5½ per cent. gold bonds, dated August 15, 1919.—Hon. T. W. McGarry, Provincial Treasurer.

Aug. 15, Lancaster Township.—$100,000 5½ per cent. 25-year serial debentures of the township of Lancaster.

Aug. 22, Kenora.—$10,000 5½ per cent. 15-instalment debentures.

Aug. 30, Brooke Township.—$5,190 6 per cent. five-year debentures for drain.—W. G. Weed, Clerke, Brooke.

BY-LAWS PASSED OR DEFEATED

Niagara Falls.—$50,000 for aid to the Niagara Falls General Hospital. Passed by Council Aug. 1.

Niagara Falls.—$21,000 to establish an incinerator plant. Passed by Council Aug. 1.

St. Andrews Municipality.—$356,000 to be expended on roads. Passed by the Council July 26.

Orillia.—$20,000 for sever construction. Passed by the Council July 24.

St. Vincent Township.—$3,800 for current expenditure, etc. Passed by the Council July 9.

Elmira.—$2,500 for sidewalks and culverts. Passed by the Council July 22.

DEBENTURE NOTES

Nelson.—By giving its cheque for $60,000 to the Bank of Montreal, the city of Nelson recently extinguished a debenture issue in that sum, which became extant July 20, 1899. The issue was made up of $15,000 for sewer extension, $15,000 for electric light extension, and $30,000 for water works extension. A sinking fund was set aside annually, from the proceeds of which the funds were provided to take up the debentures. This is the third of its 20-year debenture issues to be retired by the city. The first, an issue for $50,000 for general purposes, was taken up in 1917, and the second, for $65,000, which included $40,000 for the purchase of the electric light plant, $10,000 for the extension of the water works, $10,000 for sewer extension, and $5,000 for the cemetery, was taken up last year.

Greater Vancouver.—Representatives of the Greater Vancouver Sewerage Board will go to Victoria shortly to discuss with th provincial authorities the proposed debenture issue of $800,000 for the construction of the Balaclava trunk system. British Columbia guarantees the commission's bonds, so that it has been considered better to wait for a time until the last provincial issue had been digested in the east.

Ingersoll.—Having been urged by the Board of Education to take action relative to providing the sum of $120,000 for the erection of the proposed Central School, it is expected the Council will submit a by-law to the ratepayers at the January elections. The movement is quite generally endorsed, and Mayor Buchanan has stated that the present Central School and the Town Hall are blots on the town.

Calgary.—Commissioner Bulyea, of the Board of Utilities Commission, recently announced that the board had decided to give permission to Calgary to submit another by-law for the purpose of expending $60,000 on a children's shelter. The commission had previously given permission to expend certain sums on water and sewer extensions, but the question of the children's shelter and the proposal to extend the Bow River had been refused.

BOND SALES

$3,300 Asbestos at 77 to 75; $1,000 Abitibi at 100; $1,000 Can. Cottons at 86; $2,000 Can. Cement at 100½; $10,000 Dom. Iron at 91; $1,000 Lake of Woods at 101; $500 Montreal at 101½; $2,100 Quebec Rly. at 66 to 65; $1,500 Steel of Can. at 99½ to 98; $1,000 Wayagamack at 86; $480,650 Victory Loan (1922) at 101 to 100; $268,150 (1923) at 101 to 100; $86,450 (1927) at 102½ to 100¾; $749,350 (1933) at 105¼ to 102½; $191,650 (1937) at 106⅜ to 104¼; $8,950 War Loan (1925) at 98¼ to 97; $36,500 (1931) at 98⅝ to 97½; $51,500 (1937) at 101¼ to 100.

DEBENTURES FOR SALE

SEALED TENDERS

will be received up to Sept. 15th noon for $30,000.00 Township of Charlottenburgh debentures in $1,000 denominations, with coupons attached, payable in twenty equal annual instalments, 5½% interest.

GEORGE A. WATSON,
Clerk,
Williamstown, Ont.

City of St. Boniface

Notice to Holders of 5% Treasury Notes of the City of St. Boniface, Due July 2nd, 1920.

Treasury Notes of the City of St. Boniface Nos. 1 to 100, under By-law 1128 and Nos. 1 to 100 under By-law 1129, due 2nd day of July, 1920, will be redeemed at part and accrued interest if presented for payment at Toronto, Ont.; Montreal, Que., or Winnipeg or St. Boniface, Man.

JOS. C. DUSSAULT,
Treasurer.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Place and Purpose.	Purchaser.	Rate.	Term.	Amount.	Price.	Basis
Aug. 6	Scarboro' Township	G. A. Stimson & Co.	6%	30-ins.	$25.000	104.10	....
Aug. 6	North Bay	Aemilius Jarvis	6%	20-ins.	52,500	101	....
Aug. 5	Township of York	Bank of Commerce	6%	20-ins.	10,000	104.189	....

Whalen Pulp and Paper Mills, Limited
6% FIRST MORTGAGE AND REFUNDING
MORTGAGE SERIAL GOLD BONDS

We have purchased a large amount of these bonds, maturing serially May 1st, 1924 to 1932 inclusive, and consider them one of the best secured bonds on the market.

Denominations - $1000 and $500
Interest Payable 1st November and 1st May

Principal and interest payable in gold at Montreal, Toronto, New York or Chicago.

Prospectus mailed on request.
PRICE: Rate to yield 6¾%

W. A. MacKenzie & Company
Investment Securities
Toronto - - - - - Canada

OUR BUSINESS

"Believing that Trust Companies created for the administration of trusts and estates should practically last forever, the Board of this Corporation have laid down the principle, and have acted on it since its inception (in 1882), that we shall exclusively confine ourselves to a trust and agency business."

General Manager at Annual Meeting of Shareholders.

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CORPORATION
Head Office, 83 Bay Street, Toronto
Branches at Ottawa, Winnipeg, Saskatoon, and Vancouver

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(Members Montreal Stock Exchange)
93-95 NOTRE DAME STREET WEST, MONTREAL
Branch Offices:
Quebec — Toronto — Ottawa — St. John — Winnipeg — Halifax
Connected by Private Wire

HIGH GRADE PULP AND POWER ISSUE
6½ %
SERIAL SECURED GOLD BONDS
SAGUENAY PULP AND POWER COMPANY
Maturing from July 1921 to July 1934
PRICE: Par and Interest
BEAUSOLEIL LIMITED
112 St. James St. (Canadian Investment Securities) Montreal

Business Founded in 1795
AMERICAN BANK NOTE COMPANY
(Incorporated by Act of the Parliament of Canada)
BANK NOTES, BONDS, STOCK
CERTIFICATES, CHEQUES AND
OTHER MONETARY DOCUMENTS
SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES
HEAD OFFICE and WORKS
OTTAWA
Branches:
TORONTO MONTREAL WINNIPEG

The great financier, De Morgan, said: "There is nothing in the commercial world which approaches even remotely the security of a well-established life insurance office."

One of the strongest Companies in Canada is

THE DOMINION LIFE
Assurance Company

with its long record of steady growth and splendid returns to policyholders.

Write for specimens of Actual Results.

Head Office - - Waterloo, Ont.

Free Financial Information

THE FINANCIAL POST maintains an Investors' Information Bureau for its subscribers. If you desire special information on any Canadian security or other financial matter, send along your enquiry. Replies are by mail and correspondence is confidential. Enclose stamp for reply.

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over $340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over $97,000,000 and surplus of over $8,000,000 it has decided strength and safety.

Its policy, conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL
T. B. MACAULAY, President

BRITISH COLONIAL
FIRE INSURANCE COMPANY
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Authorized Capital - -	$2,000,000.00
Subscribed Capital - -	1,000,000.00
Paid-up Capital - -	247,015.79

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Theodore Meunier, Manager

The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

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W. H. HUNTER, President
S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

Why the "MUTUAL LIFE of Canada" is so Popular

The Mutual placed upon its books in the first five months of 1919, 100% more business than in the corresponding months of 1918. The wonderful war-record of the Mutual Life and the prompt payment of the many unexpected claims during the recent epidemic—these have proved the value of the institution. The Mutual, moreover, is in a peculiar sense a people's company being in its control democratic, in its economy strictly co-operative. This means that the system is in line with the "Spirit of the Age" and so the people naturally turn to the Mutual. The record of the company for nearly half a century has been one of increasing beneficence, and an ever-growing number of gratified policy-holders help on the good work of the agents. As a result there probably is not a more prosperous group of workers in Canada to-day than the representatives of our company.

"BE A MUTUALIST!"

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

5½% INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½% DEBENTURE of The Great West Permanent Loan Co.

SECURITY

Paid-up Capital	$2,412,578.81
Reserves	964,459.39
Assets	7,086,695.54

HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

TOTAL ASSETS $2,468,523.08

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. Lyon & Knowland, Agents

THE CHIEF FEATURE OF OUR BUSINESS

is to administer Estates, and we have the necessary experience and staff to do it efficiently. If you have appointed a friend as your Executor, we would suggest that you make a Codicil to your will and name this Company as Managing Executor to act with him. This will relieve your friend of the many details connected with the administration of your Estate and will insure the strict observance of your wishes.

MONTREAL TRUST COMPANY
Sir Herbert S. Holt, President A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: ROYAL BANK BUILDING
J. F. HOBKIRK, MANAGER

INVESTORS' INSURANCE NOTES

COMPANIES ARE AROUSED BY FIRE LOSS AT THOROLD

London and Lancashire Will Not Accept Further Business

THE TOWN AROUSED

Business and Industrial Men Are Determined That Prompt and Effective Action Be Taken.

THOROLD.—Recent fires in Thorold and the slow means of reaching them, has awakened interest in an unforeseen quarter. The Fire Insurance Companies are taking a hand in the matter, with the result that one of the largest, The London & Lancashire, which has been doing business in the town for over a quarter of a century has notified their local agent that they will not accept any more business from that town on account of circumstances over which they have no control. The circumstances over which they or any other company has no control seems to be that the Town of Thorold has not provided its Fire Department with proper fire fighting apparatus. It is reported in insurance circles that Thorold may lose some more of the large fire insurance companies if some change for the better is not made at once in regard to fire fighting equipment.

Interviews with several of the leading industrial men of the town elicited the following:

That until the business and industrial interests unite and demand better fire fighting equipment nothing will be done.

That it is the duty of each and every citizen to see that something is done immediately.

One prominent merchant declared that he would favor a meeting of the business and industrial interests to force the hand of the council in dealing with this matter at once.

Another business man was of the opinion that it was a matter for the Board of Trade to deal with, as their membership included persons of every walk of life, consequently they would be the most representative body in the town.

That the matter is serious and demands immediate attention was the opinion of all business and industrial men interviewed.

Thorold is unfortunate in that it has lost in the past year three industries and the opinion of the citizens seemed to be that there was a serious and inexcusable delay in getting to each of the three fires. Were it not for this delay, they state, that the three industries in question would to-day be in operation.

One other business man stated that he was wondering who would be the next victim of what he termed the carelessness of this and previous town councils.

Speedy Adjustment Hoped For

The Standard hopes that there will be a speedy adjustment of the fire protection difficulties in Therold, for at this time when the country is called upon to reconstruct, it is surely poor policy for any person or municipality to do anything that tends to destroy. According to figures just published, the fire loss for the Dominion exceeds that of last year for the same period by over ten millions of dollars. It is to be hoped that all municipalities will at once get busy to provide some means of reducing the present enormous fire loss of Canada. The fire loss of the British Isles for the year ending December 31st, 1918, was .64c per capita and the loss per capita in Canada was over $4.

NEW SUN ACTUARIES

Two Added to Staff by Board of Directors

MONTREAL.—At a meeting of the Board of Directors of the Sun Life Assurance Company of Canada, J. J. Cooper and J. B. Mabon, were appointed Assistant Actuaries of the company.

Mr. Cooper has been connected with the Sun Life since 1902. He was born in the Isle of Man, and studied at Cambridge University, graduating in 1897, winning high honors in mathematics. He is a Fellow of the Actuarial Society of America and an Associate of the Institute of Actuaries (Great Britatin).

J. B. Mabon was born at Inverness, Quebec, in 1890, and attended school at Lachute, going from there to McGill University, where in 1910, he graduated. In mathematics he won first honors with the Anne Molson Gold Medal. He then took up civil engineering in the Faculty of Applied Science at McGill and graduated in 1914, winning the British Association Gold Medal. In November of the same year he joined the Actuarial department of the Sun Life. He also has passed the examinations for Fellowship in the Actuarial Society of America and is an associate of the Institute of Actuaries (Great Britain).

BRITISH FIRE LOSSES

A Big Increase Shown by June Figures

LONDON.—According to the Times, the fire losses for June, 1919, in Great Britain are estimated at $22,881,000 compared with $2,337,500 in June 1918. The total estimated losses for the first six months of 1919 is given as $36,565,000 as compared with $10,860,000 for the first half year of 1918. The heavy total for June this year includes the following fires:—June 13, warehouses at Trafford Park, Manchester, loss estimated at $10,000,000. June 16, Liverpool Docks, loss estimated at $5,000,000 and June 26, warehouse at Manchester, loss estimated at $5,000,000.

VANCOUVER FIRE AGENTS

Organization Formed Looking to Better Conditions

Vancouver.—For the bettering of conditions and practice and generally raising the standard of the insurance profession, the Vancouver Fire Insurance Agents' Association has been formed with A. MacC. Creery, insurance manager of H. Bell-Irving & Company, as chairman; George L. Schetky, of the North American Securities Company, vice-chairman, and A. E. Goodman, acting secretary-treasurer. The executive committee elected are composed of the chairman, ex-officio, R. W. Douglas, of Douglas, MacKay & Company; F. B. Lewis, of F. B. Lewis & Company; C. H. Macaulay, of Macaulay & Nicholls; G. L. Schetky and F. W. Rounsefell, of Ceperley, Rounsefell & Company. Already over one hundred members of the insurance profession in the City of Vancouver have joined or signify their intention of joining this Association and within a very short time it is expected that every city agent will be a member of the Association. This Association is in affiliation with the Mainland Fire Underwriters' Association of British Columbia. It is expected that Victoria will form a similar association and already one is in operation in the city of New Westminster.

GOING TO STATES

Quebec Superintendent of Ocean Accident Makes Change

MONTREAL.—The Ocean Accident & Guarantee Corporation, Limited, announces the transfer of Arthur James, who has filled the position of superintendent in the Province of Quebec during the past seven years, to the United States branch of the Corporation, as resident manager at Boston, Mass.

John W. Wetmore has been appointed superintendent for the Province of Quebec as from the first August. Mr. Wetmore has for many years efficiently attended to the large eastern claims business of the Corporation, and has also served the Corporation in a broader consulting capacity. Mr. Wetmore's extended claims experience and general knowledge of affairs equip him admirably for the wider scope of the work he is now undertaking.

THE "MARRIAGE" POLICY

London Takes Live Interest in This Novel Idea

LONDON—Life assurance discussions are likely to be enlivened for some little time to come by the issue of what is termed a marriage policy. This novel scheme is the work of actuaries of the Eagle, Star and British Dominions insurance companies and is designed to meet the needs of recently married men and those about to marry.

It provides for payment of $2,500 at the expiration of 25 years or earlier at the death of the assured and in addition $500 in respect to each of five children born after the date of the policy, who attain the age of twelve years, payable by five instalments of $100 each on the 12th and four succeeding birthdays.

Should any child die between the ages of 12 and 16 years the outstanding instalments would still be payable on the anniversaries of the birthday until the full $500 had been paid. Similarly if any of the five children died before reaching the age of 12 the five instalments would still be payable on the 12th and four subsequent anniversaries of the birthday of the child.

During the month of July Toronto fire losses, as compared with the previous month, showed an increase of nearly $7,000, bringing the total losses through fires in the city since January 1 up to $375,021. In June the total damage reported was $26,712, while in the month just ended fires caused damage estimated at $33,408.

HOUSING SCHEME IS NOT PROVING RIGHT SOLUTION

Paternalism Fails to Show Advantages Over Private Enterprise

PRICES TOO HIGH

Contractors Can Build More Cheaply — "Public Ownership" Costs More Than Private Homes

The Toronto Housing Commissioners are experiencing difficulty in securing buyers for their houses; applications are not coming along as fast as they anticipated. In a city with the population of Toronto the percentage of applications for houses is ridiculously low compared with the number of homes built by speculative builders which are daily being sold to workingmen. The experience of the Toronto commission demonstrates that in the field of construction public ownership and paternalism cannot successfully compete with private enterprise. The scheme fails to help the workingman, the very man the Act was designed to assist.

Speculative builders in Toronto have found that they can compete with the Housing Commission and in many cases undersell them, while the experience of the Commission on the first block of houses erected demonstrated that they cost more to erect by day labor than by tender. Builders who feared that the Housing Commission would monopolize the market in cheap houses in Toronto and drive them out of business now find that the Commission cannot successfully compete with them.

The Housing Commission asks $3,600 for a workingman's house which workingman say is altogether too high. The business men composing the Commission are men of high integrity and business ability and the reason why they are unable to build such a home around $2,500 is beyond the comprehension of average workingman. They not only object to the price but many of them are not satisfied to be handed the plans of a tailor-made house to take or reject. In addition to this, the assessment on a house at $3,600 would bring the taxes if based on the assessment of similar houses in Toronto, together with the necessary local improvements, so high that interest and taxes and repairs would shoulder him with a debt prolonged for such a great many years that he is discouraged at the outset.

Old Houses Still Cheaper

Not only are the builders able to undersell the Housing Commission but houses built prior to the war and held all through the period of depression are being offered to day on the east side, west side, and north end at lower prices than that asked by the Commission. A glance through the columns of "Real Estate For Sale" in the evening papers in Toronto shows that solid brick six-room houses with every modern convenience and centrally located are being offered on very easy terms as low as $3,000. It is quite obvious, therefore, that a man who has the initial payment can satisfy his requirements by purchasing a house already built, and one which suits his fancy better than choosing a house from the plans of the Housing Commission and not knowing what kind of workmanship will be handed him when the house is completed.

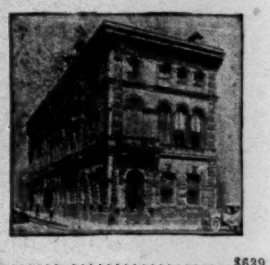
Hundreds of workingmen in Toronto to-day are locating on the outskirts of the city on plots of land varying in size from a quarter of an acre to one, two, or three, and sometimes five acres. This land is being offered at extremely attractive prices and scores of little tarpaper shacks, some of them built from packing cases, are springing up all about the city limits, an unsightly, but silent protest to paternalism as exemplified by the Toronto Housing Commission. Many owners of these little homes found that houses in the city were too high priced and are getting out of the city and away from high city taxes.

Many Have Lots

During the real estate boom of 1912 thousands of workingmen purchased lots, many of them in the city limits. Hundreds of these lots are now paid for, but the owner has not the ready money with which to build. If the Act had been framed to help these men and lend them the money to build homes, much of the dissatisfaction now obtaining would be obviated and hundreds of acres of improved vacant land in the city limits would be housing their contented owners. —A.B.K.

The London Mutual Fire Insurance Company

ESTABLISHED 1859



Assets	$639,691.53
Surplus to Policyholders	164,317.87

DIRECTORS:
A. H. C. CARSON, Toronto, PRESIDENT
F. D. WILLIAMS, VICE-PRESIDENT.
A. C. McMASTER, K.C. W. T. KERNAHAN
S. G. M. NESBITT H. N. COWAN
W. H. HUNTER.
HEAD OFFICE, 33 SCOTT STREET, TORONTO.

CANADIAN ORDER OF CHOSEN FRIENDS

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

J. L. Davidson, Grand Councillor.
W. F. Montague, Grand Recorder
W. F. Campbell, Grand Organizer.
J. H. Bell, M. D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON

BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

Assets over	-	$4,000,000.00
Losses paid since organization, over	-	$45,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes. Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.

Assets over	-	$7,000,000.00
Losses paid since organization over	-	$74,000,000.00

BOARD OF DIRECTORS: W. B. Meikle, President: Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

5% AND ABSOLUTE SECURITY

Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
Winnipeg, Man.

For the well groomed man
TEXEND BRACES
Finer than the imported
The Dominion Suspender Co.
Limited
NIAGARA FALLS, ONT.

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CHARTERED ACCOUNTANTS

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Route Your Shipments
CANADIAN NATIONAL

ORGANIZATION IN REALTY BUSINESS

A Profession Which Should Stand for Every Protection of the Public

By R. KERR HOULGATE, Before Inter-State Realty Association at Victoria.

In no branch of business, professional or commercial life are there greater opportunities for reciprocity than in the one in which we are engaged, for every sale of property, every rental contract, quotation, lease or investment of any kind, affecting realty or buildings, has a peculiar bearing on contiguous property represented, as it may be, by other agents, surely therefore we have a mutual interest in a locality.

The buying of a home is usually a red-letter day in most families and the smaller the home the more important the transaction. The conscientious salesman will be careful that the savings are properly invested, the title in order, and the purchaser satisfied. If he does not give attention to these details, a reflection is cast upon the whole fraternity and our mutual interest adversely affected.

In local matters it is very apparent our interests are closely interwoven, but there is a wider scope, for our organization is nation-wide and international, any movement which tends to elevate a business or profession must of necessity benefit all engaged in that calling, therefore our ranks should be filled with the most responsible men in the community, for the buying and selling of property is a very serious matter; to the small investor it may mean ruin if improperly advised; to the large investor the wise counsel of a man, or group of men who know is absolutely invaluable.

The realty business, through proper organization, should become a profession exclusive to the degree that membership tests be based upon a clean record, a determination to stand on what is right, protection to the public, and loyalty to associates, such fundamental principles brought into practice will assure every community that a real estate exchange is a necessity, moreover Governments cannot fail to recognize the advantages of consulting a well organized institution composed of men trained in the knowledge of values, and capable of giving advice on assessments, purchases, loans, leases, or any other matter pertaining to land in the public welfare.

BIG VANCOUVER DEALS

Business Properties Change Hands in Pacific Coast City

VANCOUVER.—Considerable interest in taken in the recent sale of two inside business properties in the City of Vancouver. Allan Brothers, moving picture theatre operators, Toronto, have purchased from the Mahon estate the south-west corner of Georgia and Selmour streets, known as the Waverley Hotel property. The consideration involved was $200,000. The property is 150 feet on Seymour Street with 120 foot frontage on Georgia Street. Figuring on the Georgia frontage, the rate per running foot is $1,666, which, though not considered especially cheap, is nevertheless, thought of as a good purchase. It is expected that the Allan Brothers will develop the property by erecting a modern moving picture house on the premises, with construction to start in the fall. R. C. Proctor acted for the sellers.

Another large piece of property sold is that on Granville Street, known as the New York Block, just abutting the Hudson's Bay building on the north. This property was transferred for approximately $250,000, and has a frontage of 100 feet on Granville by 120 to the lane. The Granville Street frontage was roughly $3,500 per running foot and because of its strategic value to the Hudson's Bay Company is looked upon as a very favorable purchase for them.

NEW WESTMINSTER VALUES

Elks' Club Purchase Gives a Line on The Situation

NEW WESTMINSTER.—An inside piece of property in the City of New Westminster has changed hands and will have a tendency to establish values along New Westminster's leading street, Columbia Avenue. The property known as the Elks Club, on the corner of Church and Columbia street, has been sold by C. G. Major to A. W. Mahon, of Vancouver. The property is 66 feet on Columbia street by 132 feet, and has a two-storey brick building. The price consideration was $50,000. The appraised value was at one time $65,0[illegible].

One of the largest real estate deals ever put through in Pembroke has been completed. It involves a transfer of the Fredman Block, on the south side of Pembroke street, near the bridge, and including the building formerly occupied by the Quebec Bank, from the Munro estate, to five local men, Messrs. James Smith, Thomas Pink, W. F. Fenton, J. S. Kemp and Andrew Johnston. The deal was put through by the Johnston & Summers agency and the purchase price is in the neighborhood of $50,000.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Aug. 8. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917-18	Dividends 1915	1916	1917-18	Last Dividend Date 1918-19	Rate	Yield to July 31	BANKS	Range 1916 High	Low	Range 1917 High	Low	Range 1918 High	Low	Range 1919 to July 31 High	Date	Low	Date	Close Aug. 8 1918 Ask	Bid	Close Aug. 7 Ask	Bid	Week ending Aug. 7 High	Low	Close	Sales
4,866,666	3,017,333	428,844	13 70	7	7	8	.....			British North America	112	110	112	112	165	112												
15,000,000	15,000,000	1,444,842	19 00	10+2	10+2	10+2	1st June	3	5.91	Commerce	203	183	188	182½	202	183¼	215	Jan. 9	201	Jan. 2	186	.....	202½	202	202½	202	202½	295
6,000,000	7,000,000	446,503	18 10	12	12	12	1st July	q. 3	5.85	Dominion	220	204	212½	202	209½	199	219	Jan. 20	199¾	June 26	202	.....	205	204	205	205	205	10
3,000,000	3,500,000	85,114	19 03	12	12	12	1st June	q. 3	6.44	Hamilton	197	246¾	192	184	188⅝	184	209	Jan. 15	181½	May 27	188							
4,000,000	3,800,000	62,959	14 87	9	9	9	1st June	q. 2¼	5.69	Hochelaga	149	145	145	140	143	140	160	July 26	147	Jan. 13	.....	.....	160	157	158	157	157	18
7,000,000	7,500,000	865,459	17 81	12	12	12	1st Aug.	q. 3	6.12	Imperial	203	180	200¼	185	202½	185	210	Jan. 20	196	July 24	186	185	.....	197½	198	198	193	10
1,946,886	300,000	145,238	11 15	7	5	5	1st June	q. 1¼	6 32	Home Bank	.....																	
7,000,000	7,000,000	574,043	19 75	10	10	11½	1st Aug.	q. 2¾	5.69	Merchants	180	150	170	167	180	169	202¾	Apr. 25	180	Jan. 2	167	.....	194	.....	195	194	194	153
4,000,000	4,800,000	248,029	17 80	11	11	11	1st July	q. 3	6 21	Molsons	195	182	186	179½	179⅞	179⅜	200	Jan. 17	179½	Jan. 3	.....				193	193	193	5
16,000,000	16,000,000	1,901,613	16 01	10+2	10+2	10+2	1st June	q. 3	5 55	Montreal	240½	219	234	210	218½	210	225	Apr 24	210	Mar. 20	.....		.....	211	214	211½	211½	23
2,000,000	2 200,000	48,699	26 67	8	8	9	1st Aug.	q. 2¼	5.65	Nationale	134	134	149	134	148	148												
6,500,000	12,000,000	749,694	21 70	14	14	14	1st July	q. 4	5.77	Nova Scotia	261	254	257½	248½	251¼	248	278	July 25	255	Jan. 4	248				275½	275	275	29
4,000,000	4,750,000	199 855	16 12	12	12	12	1st May	q. 3	5.76	Ottawa	204	202	202	200	206	201	208	Feb. 1	203	Jan. 4								
14,000,000	15,000,000	535,757	20 06	12	12	12	1st June	q. 3	5 55	Royal	221¼	210	214	208	215	205	216½	July 7	205	Feb. 17	208	.....	.....	216	216½	216	216	12
3,500,000	4 500,000	227,326	19 91	13	13	13	1st Aug.	q. 3¼	6.04	Standard	221	211¾	215	200	208¾	200	217	July 15	204¾	Apr. 25	200	.....	.....	215	215½	215⅝	215½	22
1,223 341	400,000	40,909	17 50	6	6	6	15th May	q. 1½	6.50	Sterling	.....																	
5,000,000	6,000,000	625,623	16 90	11	11	11	1st June	q. 3	6.03	Toronto	215½	190	192	187½	193½	184½	205	Feb. 4	193	Jan. 6	187				199½	199½	199⅜	16
5,000,000	3,600,000	126,298	15 48	8+1	8+1	8+1	1st June	q. 2½	6.17	Union	140	132	142	135	162	137	171	Jan. 7	157½	Feb. 20	.....	157	163	161	162½	162	162	15

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield	Name	1916 High	Low	1917 High	Low	1918 High	Low	1919 High	Date	Low	Date	Aug. 8 1918 Ask	Bid	Aug. 7 Ask	Bid	High	Low	Close	Sales
27,450 000	8,483,500	50,867,325	.....						Barcelona, T. L. and P.	17	19	17	8	15¼	8¾	13¼	Jan 10	9¾	July 10	10⅛	10⅜	9⅛	9¾	9⅛	9⅛	9¼	350
106,417,800	.....	7,500,000	5,190,986	4	1	1st Mar. 17	q.1	.....	Brazilian Traction L. and P.	62⅝	43	47¾	31¾	40	32	61	July 10	50	Feb. 4	39¾	38¼	56¾	56	57¼	55	57	2,362
.....	10,000,000	.....		6	6	1st July	q. 1½	.....	Brazilian Traction, Pref.	.....																	
12,000,000	.....	6,684,206	5,009,630		.....	16th June	q. 1	7.69	Canada Steamships Lines, Com.	45	16	45⅝	29¾	51	39¼	52¾	May 20	41½	Feb. 2	44½	44	52	51¼	52	51	51½	580
.....	12,500,000			5¼	19.83	1st July	q. 1¾	8.23	" " " Pref	95½	89¾	93¾	71	80	72½	87½	June 2	77	Feb. 13	78	77½	84¼	83¾	85	83½	84	645
260,000,000	80,681,921	271,934,882	233,990,716	10	10	1st July	q. 2½	5.71	Canadian Pacific Railway	182½	163¾	167½	127¾	185	137¾	175	July 16	160	Jan. 9	.....	155						
15,000,000	.....	35,326,500	7,978,243	6¾	7¾	1st June	q. 2	7.69	Detroit United	128⅛	69	128	104¾	.....	.....	110	May 13	94	May 10	.....	.....	103	102¼	103½	102	102	135
3,500,000	1,500,000	3,500,000	576,002	.....	2	2nd Jan.	s. 1	6.45	Duluth Superior Traction Co., Com.	49	37	51	40	42	41	32	Apr. 16	28	Feb. 21			29	28	28	28	28	5
12,331,000	—	4 562,000	1,060,346	3	3				Illinois Traction, Com.	.....																	
.....	7,289,500	.....		6	6	1st July	q. 1½	7.50	Illinois Traction, Preferred	91	87¾	89	79	80	80	80	Feb. 1										
20,000,000	.....	16,381 333	.....			1st Nov.'13	q. 1½	.....	Mexico Tramways Co.																		
25,206,800	12,603,400	87,369,600	19,911,878	7	7	15th Oct.	s. 3½	.....	Minn., St. P. and S.S.M., com																		
8,394,300	.....	35,608,153	1,256,449	10	10	2nd July	q. 2½	8.69	Montreal Tramways	.....	.....	181	144	150	150	114¾	June 4										
9,000,000	4 465,500	14,075,000	2,428 908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction																		
3,000,000	.....	3,931,666	173,084	.....		1st Oct. '14	p. 1		Porto Rico Railways Co., Com.	49½	30	42	30	37	25¼	35	Feb. 8	25	June 6								
.....	1,000,000	.....	.....	7	7	1st July	q. 1¾	8.75	" " " " Pref.	30	.....	80	80														
9,999,500	.....	10,797,000	684,572			15th Jan.'12	q. 1 p	.....	Quebec Railway L., Heat & P. Co.	45	14	35½	14¾	22½	15	22	Mar. 8	16½	Feb. 19	18⅛	17½	18⅝	18⅛	18¾	18	18⅛	965
12,000,000	.....	3,730,253	6,675,017	8	8	2nd Jan.	q 1		Toronto Railway	111	72	90½	58½	63	58	55	Jan. 4	39	June 14	59	58½						
22,000,000	3,000,000	20,263,000	1,285,804	6	6	2nd Jan.	q 1	8.00	Twin City, common	101	93⅜	95	53	65⅛	39½	58	June 4	39	Jan. 2	44	43½						
9,000,000	.....	10,130,000	1,502,068			1st Jan.'16	q. 2¼		Winnipeg Electric	110	90	81	36	48	48	49	Mar. 3	35	Jan. 16	48							

TELEGRAPH, LIGHT AND POWER UTILITIES

18,000,000	.....	11,149,000	2,286,556	8	8	15th July	q. 2	6.77	Bell Telephone	152	140	150	129	132½	128	133	May 19	114	June 7	.....		119¾	118⅝	120	118½	119	430
5,860,700				10	10	1st July	q. 2½	6.62	Consumers Gas	176	160	165½	147	153	144½	152	Feb. 14	147½	June 17		145	150½	150	151	150	150	66
1,900,000	.....	2,999,813	177,747						Calgary Power																		
41,380,400	.....		1,924,151	5	1¼	1st July	q. 1¼	7.59	Mackay, common	69¼	64½	90	70⅝	79¾	72⅛	82	May 12	71½	Jan. 23	77	76	79½	78½	79	79	79	118
.....	50,000,000	.....		4	4	1st July	q. 1	6.06	" preferred	15	15	68	59	65¾	56⅛	68	June 6	64¼	Jan 28	65¼	64¾	66	65⅛	66	65	65	43
13,585,000	6,000,000	21,073,833	318 522			30th Dec.'13	q.1		Mexican Light and Power Co., com	.....				20	18	18	June 6										
63,965,800	.....		1,585,313		4	15th May	q. 1	4.25	Montreal L., H. and Power Cons	.....	.....	82⅞	67⅛	88½	68¾	95	July 24	84½	Feb. 1	77	76	92	91¼	91¾	90⅞	91	820
3,499,120	.....	1,275,000	884,625	6	6	1st July	q. 1½	7 31	Ottawa, Light, Heat and Power Co.	95¾	92	92	69¾	86	69	82½	June 10	75	Jan. 18		83	85	83	83	83	83	45
15,000,000	.....	12,8[illegible]8,761	2 992 348	7	7	10th July	q. 1¾	5.60	Shawinigan Water and Power Co.	137	126¾	130½	107	118½	105	127½	May 8	114½	Jan. 13		111	121	120⅛	123¾	121	122½	494

INDUSTRIALS AND MISCELLANEOUS

5,000,000	1,000,000	5.953,200	632,047	1¼	7	1st July	1¾	8.53	Abitibi Power and Paper, com	.....	.....	58½	48	51½	48	82½	July 16	48	Jan. 3								
6,514,000	7,895,200	.....	525,402						Amer. Cyanamid, com	.....		30	19	35⅞	21	47	July 8	38	July 7								
3,500,000	.....	1.562,666	307,408						Ames Holden McCready Co., com	35	19½	23½	12	28	15	53½	July 14	26	Jan. 3				45	46	46	46	6
.....	2,500,000	.....				2nd July	q. 1¾	7.24	" " " pref	80½	52	61	47	72¼	47	101¼	July 15	65½	Jan. 2	71	70						
4,265 600	.....			*4	4	21st Feb.	q. 1¾	7.60	British Col. Fish, com	.....	.....	56	35	51½	41	66	July 18	46	Mar. 15				63½	65	63	65	615
7,000,000	2,000,000	1,452,000	607,100		5	7th May	1¾	7.93	Brompton Pulp and Paper, com	.....	.....	59	38	63¾	41½	66	July 18	55	Apr 30	55	53	60½	60¾	61¼	60¾	60¾	636
750,000	.....		721,391	6	6	1st July	q. 2	8.42	F. N. Burt Company, com	88	72	82	65	75	63½	95½	July 14	71	Jan. 13								
.....	1,975,200			7	7	1st July	q. 1¾	7.36	" " " pref	96	86	93⅝	86	90	77¾	95½	Mar. 15	90	Jan. 22	.....	84¾	.....	95	96	95½	96	15
2,500,000	.....	3,750,000	153,523		2	2nd Jan. '17	2		Canada Bread, com	30	16½	20	13	24½	16	23½	Jan. 11	18	Feb. 11	19½	18¾						
.....	1,250,000			7	7	1st July	q. 1¾	8.75	" pref	90	87	86½	80	83¾	83¾	85	Jan. 18	80	July 16			82	.....	80	80	80	12
13,500,000	.....	6.839,046	4,002,643	4½	6	16th July	q. 1½	8.57	Canada Cement, com	73	37¾	69⅞	52	69¾	56½	71½	July 28	63	Feb. 6	61⅛	60⅛	69	68	70	68¾	69½	638
.....	10,500,000			7	7	16th May	q. 1¾	6.93	" " pref	9	86	95¾	90	96	90	102	July 25	95	Jan. 2	93	91			101	101	101	15
4,975,000	.....	5.222,593	5,830,171			2nd June '14	s. 2		Canadian Car and Foundry, com	75	32	46½	17	38¼	18	47½	June 28	28	Jan. 2	34½	33¾	37	36	39	36½	38	495
.....	7,500,000	.....				10th Jul	q. 1¾	7.07	" " pref	94	51¾	89	49	91	49½	100	July 25	82	Jan. 23	84½	83½	97½	95¾	98	96	96¾	284
1,783,500		399.000	541,711		3	15th May	q. 1¾	7.57	Canadian Converters	46	34	43	39	50	43	67	July 24	45	Feb. 6			64½	63	64	64	64	50
2,715,500	.....	4,688,000	1,948,109	3	4	4th July	q. 1½	6.59	Canadian Cottons, Limited com	65	39	56	46½	70	48½	95	July 17	67	Feb. 20			88	.....	90	90	90	2

.....	1,661,500	.....		6	6	4th July	q. 1½	7.05	Canadian Cottons, Limited, pref	82½	75½	82	75	77	71	87¾	Apr. 22	76	Jan. 10	.....	.....	84	.....	84½	84½	84½	20
600 000	31,500,000	.....	1,762,537	3	9	15th Jan.	s. 3		Canadian Fairbanks-Morse, pref																		
960,000	.....	179,200	1,297,106	10+9	12+3	15th May	q. 3	6.00	Canadian Foundries & Forgings, co	217	170	205	150	213	150	208	July. 9	185½	July 2								
.....	960,000			7	7	15th May	q. 1¾	7.21	" " " pref	90	85	84	82	97	90	89½	Feb. 13										
1,000,000	.....	1,500,000	1,657,324		3	1st July	q. 1¾	7.31	Canadian Locomotive Co., com	64½	51	64	52½	69⅛	58	85¼	July 15	60	Feb. 20			84	82	82	81	81	26
.....	1,500,000			7	7	1st July	q. 1¾	7.52	" " pref	99	81	91½	83	90½	83	95	July 7	89½	Apr. 8					91	91	91	10
2,805,500	.....	9.500,000	4,305,934			15th Oct. '14			Can. Consolidated Rubber, com	91	84	99¾	90	100	98	250	July 9										
.....	3,000,000			7	7	30th June	q. 1¾	7.00	" " pref	97	91	99¾	95	98	97	100	July 11	97	Feb. 7								
8,000,000	.....		5.122,776	8	8	1st July	q. 2	7.20	Canadian General Electric, com	121	108	115½	99½	106	99½	116	May 9	101½	Mar. 18	102	100						
.....	2,000,000			7	7	1st Apr.	s. 3½	6.36	" " pref	112	110	106	94½	110	100												
1,200,000	.....	465 500	573,116						Carriage Factories, Limited, com	44	29¾	25	9¾	17	15	15	May 13	13	June 6								
.....	1,200,800					15th July '15	q. 1¾	10.00	" pref	75	60																
565,000	.....	55.114	159,507	4		1st Oct.'16	q. 2		City Dairy, com	98	89	30	30	50	30	62¼	May 27	43	Jan. 28								
.....	700,000			5¼		1st July	q. 1¾	7.44	" pref	100½	92	70	60	87	60	94½	June 13	84	Feb. 18				94	95	94	94	8
6 500,000	.....		3,025,307	8+12	9½+2	15th May	q. 2	7.61	Dominion Bridge Co.	231½	160	170	125	128	123	123	Jan. 13	100	June 25					103	103	103	10
2 796,300	.....	1,279,410	1,472,121			1st Apr.'14	q.		Dominion Canners, com	22	15	26	19	43	40	59	July 9	34	Mar. 14					52	49⅝	49⅝	260
.....	2,290,600				7	1st July	q. 1¾	7.69	" pref	65	61½	78	65	81	65	92	June 6	76	Jan. 10			90	.....	90	90	90	14
37,097,700	7,000,000	21,206,777	15,562,286		4½	1st July	q. 1½	9.09	Dominion Steel Corporation, com	82	43	71¼	50¾	65	53	73	July 12	58¾	Feb. 3	61⅛	61⅛	66¾	66¾	67⅞	64	66¾	5,620
.....	5,000,000	13.861.880	.....	7	7	1st July	q. 1¾	7.07	Dominion Iron and Steel, pref.	105	90	95	87½	98	88	100	May 16	93½	Jan. 2	96	92½		.....	99	99	99	10
15,000,000	3,000,000	6.162.000	.....	7	7	1st Aug.	q. 1¾	7.14	Dominion Coal, pref	99	93	96½	85	95	94¼	100	June 11	95	May 2				98	98	98	98	4
5,000,000	.....	3,267.500	2,189,194	6	7	1st July	q. 2	6.66	Dominion Textile, com.	90½	74½	89	76½	100½	80¾	125⅞	July 16	100	Feb. 5	90	88	117⅞	117¾	118	118	118	320
.....	1,940,600			7	7	15th July	q. 1¾	6.66	" pref	105	101	105	99½	102	100	108	Mar. 14	101	Jan. 15				105½	105½	105½	105½	2
2,250,500	.....	1,150,000	520,221						Goodwins, Limited, com	40	40	.....	.....	15	11	27	July 21	10	Feb. 5					25	25	25	25
.....	1,750,000			.....	.....	2nd July '14	q. 1¾	10.14	" pref	75	40	45	45	45	45	75	July 17	45	Jan. 11								
747,560	.....	210,000	1,360,336	6	6	2nd July	q. 1½	6.00	Goulds Manufacturing Co., com	.....	.....	100	100	100	100												
.....	747,500			7	7	2nd July	q. 1¾	7.00	" " pref	.....	.....	100	100	100	100												

6 267,005	500,000	.....	1,009,017	.....	.....	2nd June	50c	.....	International Petroleum	.....	.....	15.30	11.60	20.50	13.00	32.25	May 14	19.25	Jan. 8								
40,000,000	.....	8,294,000	4,541						Lake Superior Corporation			24	10														
2,100 000	.....	900,000	978,797	8	8	2nd June	q. 3	6.31	Lake of Woods Milling Co., com	136¼	122	130	120	169	120⅛	190	May 19	157	Mar. 26	.....	135						
.....	1,500,000			7	7	2nd June	q. 1¾	6 60	" " pref	129	116	116	116	110	100	106½	Jan. 16	106	Jan. 17								
9,600,000	.....	620,615	2,425,548	8	10	2nd July	q. 3+3	5.62	Laurentide Co.	217½	176	195	152	198	152	228	June 23	192	Jan. 10	169	164	212	209½	214	207¼	210½	1,886
1,750,000	1,300,000	1,038,600	365,852		2	10th July	2	9.52	Lyall Construction Co., com	93	25	80	53	85½	63	83½	July 23	64	Apr. 2			82½	...	81½	79½	80	225
3,000,000	1,766,800	.....	190,908			30th June '13			A. Macdonald Co. com	19½	10	15½	8	23	13½	36	July 4	21½	Jan. 10			31¼	31	31¼	31	31½	625
2 500,000	.....		2,072,508	9	22½	18th July	q. 3	6.81	Maple Leaf Milling, com	122	100	115	90	140	91	178½	July 16	121¼	Jan. 30	.....	101	178	176	178	173½	178	405
.....	2,500,000			7	7	18th July	q. 1¾	6.60	" " pref	108	93	103	91¾	98½	91½	107	June 23	96¾	Jan. 8			106	105	106	105	105	19
2,949,600	.....	774,689	2,420,384	4	4	14th June	q. 1	5.71	Montreal Cottons, Ltd., com	63	50	58½	49	61	50	72½	Apr. 8	58⅛	Jan. 9					68	68	68	10
.....	3,000,000			7	7	14th June	q. 1¾	5 79	" " pref	115	99	103	99	100	99½	103	Mar. 15	100	Jan. 17			103	102	103	103	103	20
1,275,000	.....		527,504			1st Nov.'13	q. 1½	.....	Monarch Knitting Co., com	40	25½	40	30	46	39	60	Mar. 12	50	Jan. 28								
.....	750,000			7	7	1st Aug.	q. 1¾	7.77	" " pref	83	80	81	80	80½	75	92	June 13	78	Jan. 6				90	90	90	90	33
2,000,000	.....		2.331,209						National Steel Car, com	.....	.....	21	5	10½	5	16	Feb. 27	5	Jan. 16								
.....	1,500,000			3½	.....	15th Jan	q. 1¾		" " pref	.....	.....	78	17	40	20	59	Mar. 19	18	Jan. 14								
15,000,000	.....	11,169,619	4.616,564	.....	5+20	15th July	q. 1½	5.55	Nova Scotia Steel, com	154½	93¾	128	66	71½	63¾	97	June 2	48	Mar 5	65				80	79	80	25
.....	1,000,000			12	8	15th July	q. 2	7.61	" " pref.	115	110	112	105	103	100	112½	July 4	104½	Mar. 21								
2,500,000	.....	2,350,000	3,820,592	8+4	10½15	1st July	q. 3	4.70	Ogilvie Flour, com.	152	127½	158	137	205	140	260	June 4	194	Mar. 11	.....	170						
.....	2,000,000			7	7	2nd June	q. 1¾	6.48	" pref.	116	44½	115	107	111	100	110	Feb. 8	106	Jan. 13	.....	100						
750,000	.....	575,100	843,029						Ont. Steel Products, com	45	19	34	18	35	22½	36¾	June 30	27	Apr. 28				31	31	31	31	25
.....	750,000			8½	7+1¾	15th May	q.1¾+¾	8.64	" " pref	91½	73	74	74	78	73	81	July 30	75	May 19								
650,000	.....	38,026		2	2	1st July	s. 1	6.80	Pacific-Burt Co., com	29	20	40	28	34	34	30	Apr. 2	25	May 22		...	27	.....	26	26	26	20
.....	650,000			7	7	1st July	q. 1¾	8.86	" pref	83½	77½	82	79	77¼	77¼	80	June 5	75	Mar 8								
600,000	.....		644,594	8+3	8+5	15th Mar.	4+2	7.75	Paton Manufacturing Co.	.....	.....	130	124	124	124												
2,150,600	.....	2,000,000	3,350,167	4+1	4+1	15th Feb.	q. 1½	6.18	Penmans, Limited, com	78	60	73½	64	84	65	98½	July 21	77½	Jan. 4	75	73½			94½	94½	94½	10
.....	1,075,000			6	6	15th Aug.	q. 1½	6.45	" pref	90	82	86	81¼	85¼	81½	93	Apr. 9	82½	Feb. 5								
5,000,000	.....	5,923 764	2,220,239	6	6	1st July	2	4.84	Price Bros.	132	[illegible]	134	115	151	120	190	Feb. 25	150	Jan. 10								
4,500,000	.....	[illegible]	[illegible]	3½+1	6+4	15th May	q. 2½	7.14	Riordon Pulp and Paper, com	156	59	127	106	123	117¼	145	July 17	117¼	Jan. 2	118½	117	.....	135	138¾	134	135	251
.....	1,000,000			7	7	30th Jun	q. 1¾	7.07	" " pref	.....	.....	95	90	97	92½	100	June 6	94	Jan. 4					98½	98½	98½	10
1,500,000	.....	[illegible]	273,647	6	3	1st Apr. '17	q. 1½		William A. Rogers, Ltd., com	99	85	80	40	.....	.....	55	May 16	25½	Mar. 28								
.....	1,112,000			7	7		q. 1¾		" " pref	99	87	92	90			85	July 30	65	Mar. 13								
[illegible]	.....		[illegible]	.....	7	1st Aug.	q. 1¾	[illegible]	Russell Motor Car, com	114	32	92	50	90½	55	87	July 16	68	Feb. 19	75	71						
.....	1,300,000				29½	1st Aug.	q. 1¾	7.95	" pref	129	66	122	72	91½	48½	94½	May 15	70	Jan. 10	80	78	.....	86	90	90	90	10
1,500,000	.....	374,500	129,711						Sawyer-Massey Co., com	30	20	24	8	13	10	22	July 11	8	Apr. 17			70					
.....	1,500,000					2nd June '14	q. 1¾		" pref	134½	58	41	40	40	40	62¼	July 14	30	Apr. 11								
4,000,000	.....	[illegible]	[illegible]						Sherwin-Williams, com	99½	53¼	60	56	60	60	66	May 22	60	Jan. 3								
.....	[illegible]			7	7	[illegible] June	q. 1¾	[illegible]	" pref	100	97½	100	98	100	99	105	June 23	99	Jan. 6								
[illegible]	.....		[illegible]	6+1	6+2	1st July	q. 2	[illegible]	Shredded Wheat, com.	140½	102½	137½	112	112	106	135	Apr. 15	124	Mar. 15					136	136	136	30
.....	1,250,000			6	6	1st July	q. 1½	[illegible]	" pref	120	95	95	95	92	87	93	Apr. 23	90	Jan. 13								
[illegible]	.....	200,000	[illegible]		4				Smith Paper Mills, Com.	.....	.....	74½	66	66	65	84½	July 23	65	Feb. 27					83	83	83	25
.....	475,000				7	15th Apr.	q. 1¾	[illegible]	" Pref	.....	.....	.....	.....	80	73½	95	June 25	78	Feb. 28								
[illegible]	.....	[illegible]	[illegible]						Spanish River Pulp Mills, com	26¾	[illegible]	19	12½	20	12¼	46	July 10	17	Jan. 14			39¾	39	40½	37¼	40	3,565
.....	[illegible]					15th July '13	q. 1¾		" " pref	70	29	59¼	47	64½	50	110	June 28	63½	Jan. 23			105	109	106½	104	105¾	1,600
11,000,000	.....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	Steel Co. of Canada, com	[illegible]	[illegible]	71½	42½	74¼	49½	76	July 4	57½	Feb. 1	65½	64½	67¼	66⅛	69⅛	67	67½	2,624
.....	[illegible]			[illegible]	7	[illegible]		[illegible]	" " pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	84	100¼	May 25	91½	Mar. 28	94	93½	..	..	104	98	98¾	103
[illegible]	[illegible]	[illegible]	[illegible]			[illegible]			Standard Chemical, pfd					[illegible]	62¾												
[illegible]	.....	[illegible]	[illegible]			[illegible]		[illegible]	St. Lawrence Flour, com					97½	90	113½	July 7	97½	Mar. 12			110	105	110	110	110	28
.....	[illegible]					[illegible] Aug.		[illegible]	" pref			[illegible]		[illegible]	[illegible]	97	June 2	[illegible]	Feb 4								
[illegible]	.....		[illegible]						Tooke Bros., com	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	15	45	July 15	20	Mar 11			41	40	41	41	41	70
.....	[illegible]			[illegible]	[illegible]	15th June	q. 1½	[illegible]	" pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	72½	89	July 8	79	Feb. 4								
[illegible]	.....	[illegible]	[illegible]	[illegible]	[illegible]	2nd July	[illegible]	[illegible]	Toronto Paper Co	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	78	Apr. 1	68	Mar. 6								
[illegible]	.....		[illegible]						Tuckett Tobacco, com	28	25¼	22¾	17	24½	18⅝	48½	July 29	32	Jan. 17			45	43½	44½	[illegible]	[illegible]	[illegible]
.....	[illegible]			7		[illegible] July	[illegible]	[illegible]	" pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]					91	91	91	[illegible]	10
[illegible]	.....	[illegible]	[illegible]			[illegible] July		[illegible]	Wabasso Cotton					[illegible]	[illegible]	[illegible]	July [illegible]	[illegible]	Jan. 2				100	100	100	100	104
[illegible]	.....	[illegible]	[illegible]						Wayagamack			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	July 17	46	June 2			49½	49	52	47	51½	1,106
[illegible]	.....	[illegible]	[illegible]		7	2nd June	q. 1½	[illegible]	Woods Manufacturing Co., Ltd., com.	65	32	61	44	96	57¼	104	May 16	86¼	Jan. 13					98	95	95	50
.....	1,500,000			10½	7	1st July	q. 1¾	[illegible]	" pref	101	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	98	Mar. 17	93¼	July 3								

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock Outstanding	Capital [illegible] Outstanding paid [illegible]	Reserve and Contingent P. & L.	Dividends 1917-18	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1917 High	Low	Range for year 1918 High	Low	Latest Price Ask	Bid	Last Sale
[illegible]	[illegible]	[illegible]	9	1st July	q. [illegible]	Canada Landed	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	1st July	q. [illegible]	Canada Permanent	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	1st July	q. [illegible]	Central Canada	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	6	[illegible]	[illegible]	Col. Investment, pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	72
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] July	[illegible]	Dominion Savings	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	75
[illegible]	[illegible]	[illegible]	[illegible]	1st July	[illegible]	Great West Per.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	6	[illegible] July	[illegible]	Hamilton Provident	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	12	[illegible] July	[illegible]	Huron and Erie	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	2nd July	[illegible]	Landed Banking	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	London and Can. Loan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] July	[illegible]	London Loan and Sav	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] June	[illegible]	Montreal L. & Mtg. Co.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	10	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] July	[illegible]	Ont. Loan and Deb.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	9	[illegible] July	[illegible]	Real Estate Loan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] July	[illegible]	Toronto Gen. Trusts	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	8	[illegible]	[illegible]	Toronto Mortgage Co.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	12	1st July	q. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	7	[illegible] July	q. 2	Union Trust	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible] July	q. 2	Canada Life Assurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Common Stock Outstanding	Bonds, Preferred Stock or [illegible] shares outstanding	Reserve and Contingent P. & L.	Dividend 1917-18	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1917 High	Low	Range for Year 1918 High	Low	Latest Price Ask	Bid
[illegible]	.....	[illegible]	.....	15th July	1¼	Asbestos Corporation, com.	21	12	45	15	75	74½
[illegible]	[illegible]		6	15th July	1½	" " pref	58	42	62¾	44½	65	..
[illegible]		[illegible]	4	1st Apr.	s. 4	Canadian N. Prairie Lands	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	8	1st July	q. 2	Canadian Salt	136	126	132	126	142½	.....
[illegible]		[illegible]	[illegible]	23rd Dec.	[illegible]	Can North-West Land	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	[illegible]	26th June	s. 5	Confederation Life A.	330	330	.....	.....	375	.....
[illegible]	.....	[illegible]	.....	2nd June	q. 1½	Crows Nest Pass Coal	70	50	55	50	.....	57
[illegible]	.....	[illegible]	6	15th July	q. 1½	Dominion Telegraph	89	76½	.....	.....	.....	86
[illegible]	[illegible]			.....		Electrical Dev., pref	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	10	1st July	q. 2½	Imperial Life Assur	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	7	1st July	s. 3½	Intercolonial Coal, pref	.....	.....	.....	.....	80	.....
[illegible]	.....	[illegible]	.....	1st Mar. '18	1	Intern. Coal and Coke	.....	.....	25	25	.....	.....
[illegible]	[illegible]	[illegible]	7	15th May	q. 2	Kaministiquia Power	.....	.....	120	120	112	.....
[illegible]	[illegible]	[illegible]	.....	2nd July '17	s. 3	London Street	.....	.....	.....	.....	.....	.....
[illegible]		[illegible]	[illegible]	15th July	q. 2	Montreal Telegraph	130	115	120	120	.....	120
[illegible]	[illegible]	.....	.....	.....	.....	Nia., St. Kath. and Tor.	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	3½	10th July '15	q. 1¼	Trinidad Electric	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	8+2	16th June	q. 2	W. Can. Flour Mills	.....	.....	.....	.....	.....	.....
[illegible]	[illegible]	[illegible]	5	1st July	q. 1¼	West India Electric	77	77	.....	.....	.....	.....

NOTE—s—means semi-annually, q—quarterly; I—interim; L—[illegible] and loss; +—indicates bonus; B—means bond; P—preferred stock; d—debentures; *—[illegible] than [illegible] shares; [illegible] bonus; A—[illegible] per share return of capital paid February 1st, September [illegible], 1919; Feb. 1st and Nov. 17th, 1919; December 1, 1914.

GOOD HARVEST WEATHER BEING EXPERIENCED

Full of August Moon Has Been Passed Without Frost

GRAIN BOARD'S TROUB

Farmers All Over Western Provinces Continue to Kick Against Governments' Price Arrangement

By E. CORA HIND.

Commercial Editor Manitoba "Free Press."

REGINA, Sask., August 14.—For the past week I have been covering the north-eastern portion of Saskatchewan, the division of that great province which has the best crop this year. The portions covered include such districts as Tisdale, on the G.T.P., thence by motor to Yorkton on the C.P.R., and again by motor, north-east to Kamsack; on the main line of the Canadian National. Then I went west on that line to Warman, again north to Prince Albert, and from Prince Albert due north 30 miles by motor to the new districts of Henryberg and Albertville. From there I went east from Prince Albert on the north branch of the Canadian National to Tisdale, with a return motor trip to Prince Albert and by train to Regina. In all, 460 miles was motored, beside the train journeys. Much of the country covered has very heavy wheat crops, and about 35 per cent. of them are in stock. But within the last ten days black rust has developed all over this territory, and very considerable damage has been done. It is impossible to say how much until threshing has been completed, but in the district of Tisdale, for example, the average yield of wheat would have been about 35 bushels, and it has cut down at least ten, and probably more. It is further injured as to grade.

Will Yield Heavily

In spite of this misfortune, however, an enormous quantity of wheat will come out of this division of Saskatchewan. The north-east country, however, does not depend on wheat, though, since the greater production campaigns, more wheat has been grown than formerly. Oats and barley are the specialties, and they have been so far immune from rust. Many oat crops will go over 100 bushels to the acre, and 25 per cent. of the oats were in stock last Saturday night. This whole division of the province is from three weeks to a month earlier than it has ever been before. The full of the August moon has passed, and there has been no frost, so that with anything like reasonable weather from now to the end of the month, the bulk of the harvest in the northern divisions of all the provinces will be completed. In districts of Henryberg and Albertville, 30 miles due north of Prince Albert, wheat has been cut for two weeks, and in these districts the rust has not penetrated and the sample of wheat is remarkably fine.

People Moving North

These districts have not yet been reached by a railway, but the soil is so fine, and as there is abundance of timber for house building, excellent water and abundant pasture, it has attracted many returned soldiers. This year a branch of the Canadian National Railway is going in. The districts were first settled on about eight years ago by a small colony of French-Canadians, being repatriated from the New England states. One of the features of travel in Northern Saskatchewan is the tremendous movement from south to north of the province. Literally scores of men from the dried-out areas in the south-west are going north and buying land. Every hotel and boarding house in the northern towns is full, and not a few land seekers have spent the nights in their autos. Some are moving in the old-time prairie schooners.

The whole north of both Saskatchewan and Manitoba is filled with lush pasture, and much hay. There are thousands of fat cattle (and there is abundant room for thousands more) and many of the herds from the south-west are being driven or shipped over. An old-timer at Prince Albert, who has always claimed that the north of the three provinces is the best land, said yesterday the new cry is, "Go north, young man, and grow up."

Farmers Oppose Method

Yesterday and to-day the centre of Saskatchewan from Rosthern in the north, to Drinkwater in the south, and including the whole Saskatoon plains, has had a perfect deluge of rain. It might have come at a more opportune time than the middle of harvest, but everyone is so glad to see moisture in this region there was no kicking. It will delay cutting for a couple of days, but as crops were light a large percentage is already in stock.

The new Grain Board is having a merry time with the farmers over the proposed method of handling wheat. The Canadian Council of Agriculture [illegible] tically responsible, has so far [illegible] ced much concern. The Manitoba farmers are in the best position to kick, with some show of reason, as the Manitoba Grain Growers decided against asking for a fixed price, but such a little thing as being consistent is not worrying the Saskatchewan grain growers and they are among the ones most loudly protesting against the $1.75. The fact that Sir George Foster has announced that this is not the advance definitely settled upon, makes it slightly different. Nothing short of an advance equal to the American fixed price will satisfy the farmers, and the new board is not to be envied of its task.

KINGSTON WANTS GRAIN TERMINALS

Effort to Secure Transhipment Facilities for Upper Lake Vessels

By Special Representative.

KINGSTON.— Local civic and Board of Trade authorities are making every effort to make the city the grain trans-shipment terminus for upper lake vessels. For several months past representations regarding the splendid natural facilities have been made at Ottawa, and engineers representing the city, the Government and the railways are to be in consultation to choose a site for a deepened harbor. With the destruction of the elevator at Port Colborne, the authorities are working with redoubled energy, and Francis King, K.C., Kingston, representing the Dominion Marine Association, of which he is general counsel, presented the following resolution to the Union of Canadian Municipalities in convention here for ratification:

"That the Union of Canadian Municipalities in general meeting now assembled desires to record its profound regret that the unfortunate disaster at Port Colborne has at so critical a period increased the difficulty of marketing the Canadian grain crop.

"The Union realizes the great part that the Port Colborne elevator was playing in the work of moving grain from the West to the seaboard and in taking care of transhipped cargoes from large upper lake vessels pending the building of the new Welland ship canal.

"With transhipment prevented at this port and with Buffalo barred to Canadian grain it is essential that the facilities of every other port for transhipment or storage should be utilized to the fullest extent possible, and the Union pledges its support to the Government of Canada in the effort to meet the difficulty in the municipalities directly interested.

"The attention of the Government is particularly called to the fact that at the Port of Kingston, Ont., the elevator of the Montreal Transportation Co., Ltd., of 800,000 bushels capacity and with a splendid operating record is now idle largely on account of the temporary drift of transhipment to Port Colborne, and that while capable of being recommissioned in about ten days time it will probably remain idle unless the Government intervenes, and this Union urges upon the Government the extreme desirability of action with a view to placing this important house in operation with the least possible delay."

BY LOCAL SALE

Successful Effort at Ingersoll—Chatham May Try It

A new issue of $20,000—the Thomas loan and market building debentures—making a total in all of $200,000, has been successfully floated locally by the town of Ingersoll. The period was ten years and the rate 5½ per cent. The "Chronicle" regards the result as very gratifying and congratulates Mayor Buchanan and the council, as well as the citizens themselves, who have not only aided the town financially, but have made an investment which should increase civic interest.

At Chatham the local marketing idea is to be tried in connection with an issue of school debentures for $130,000. However, at the recent meeting of the city council there seemed to be considerable doubt as to whether the effort would be altogether successful, particularly in view of the dull market and the approaching Government loan.

TORONTO STREET RAILWAY

The members of the Street Railway Employees' Union in Toronto have decided to accept the terms of Judge Barron's Board of Conciliation.

CANADIAN LOCOMOTIVE

There have been rumors recently to the effect that the common stock of the Canadian Locomotive Company will shortly be put on an eight per cent. basis. At present it is on a six per cent. basis, payable quarterly, and the preferred is at the rate of seven per cent. In 1917 an initial dividend on the common of 1½ per cent. was paid, nothing having been paid up to that time since the company was organized in July, 1911. The annual report of Locomotive is expected in about three or four weeks' time, and will in all probability show more satisfactory returns than any of the previous statements.

OGILIVIE MILLING

There has been little trading in Ogilvie Milling recently. On Thursday there were some sale at 250, indicating a decline of four points from the last previous.

HARD TO TELL WHO IS THE PROFITEER

Big American Business Institutions Show Small Earning Margins

BOSTON.—Locating the profiteer seems to be about as fruitful an occupation as chasing a will o' the wisp. [illegible] one who has any part in the production or distribution or consumption of [illegible] will lift the eyes heavenward, raise his right hand and affirm that the other fellow is getting the big profit. In other words, the producer, the [illegible] the transportation company and all the rest are engaged in the merry game of "passing the buck."

However, it is instructive in this connection to examine the financial statements of some of the principal producers or distributors of [illegible] commodities. Take sugar, for example. Of course the crop has been sold to the Government at a fixed price, hence profiteering opportunities are restricted. Yet is is not generally realized that the biggest producing company the Cuba-Cane Sugar Corporation, last year made a profit of only 35-100ths of a cent a pound.

The profits of the sugar refiners were similarly curtailed. American Sugar in 1918 handled a gross business in excess of $200,000,000, but the profits were only 3.3 per cent. on turnover—in other words, less than 3½ cents out of every dollar of sales was left for division among stockholders, the owners of the company.

The packers, who are the shining targets for the shafts of the high cost of living crusaders, are next to blameless according to the facts and figures in their financial statements. Swift & Co. for instance, reports a profit from meat sales last year of about two cents on every dollar of sales. This is equal to ½-cent a pound on the meat distributed and is before any deduction for taxes and interest on borrowed money. The packer places the culpability on the retailer, but the retailer is a hard individual to deal with. His number is legion, he is scattered all over the country and his collective vote is a force to be reckoned with.

Are the coal producers gouging the public, then? One Boston-owned company, Island Creek Coal Co., earned after charges and taxes last year, 60 cents a ton on its output. This is practically no more than the labor charge for bagging and dumping a ton of coal into the householder's cellar where a chute cannot be used.

No single article of apparel has been under hotter fire recently than shoes. There is no gainsaying the fact that shoes have advanced enormously in price. Yet Endicott-Johnson Co. last year earned only 8.3 per cent. on its sales; in other words, a little over 30 cents on a $4 pair of shoes. And this was before federal and state income taxes were deducted.

Likewise Central Leather Co., the "iniquitous leather trust," to quote a favorite phrase of the agitators, can show a profit for 1918 equal only to 6.8 per cent. of the gross turnover.

As in shoes, so in shirts and collars. Cluett-Peabody Co. in 1918 retained a profit equal to 8.7 per cent. of sales, which means a fraction over two cents net gain on a collar retailing at 25 cents.

Other leading distributors confess to profits in their last fiscal years ranging from only 6 to 9 per cent. Sears, Roebuck & Co. earned 6 per cent.; Jewel Tea Co., 6 per cent.; May Department Stores, 7 per cent.; F. W. Woolworth Co., 6.6 per cent. and United Drug Co. 8.9 per cent.; the two latter margins being before federal taxes were deducted.

MELTING-DOWN COINS

A Paying Process Because of the High Market for Silver

LONDON.—One of the biggest silver gambles ever known in the world's bullion market is now taking place, with the result that the price of the metal has leaped to such heights as to render it profitable to English refiners to put foreign currency into the melting pot and sell it as refined sheet silver. The position is explained by a well-known bullion dealer.

DOMINION FOUNDRIES

Reports which lack confirmation are current to the effect that the Dominion Foundries & Steel is considering a proposal to become interested in a steel plant in Albany, N.Y. It is said that the President and others connected with the firm have either left Hamilton or are about to leave on a visit to Albany in connection with the proposition. It is also said that the company is now making side frames for motor cars, which is an entirely new line of activity for the concern. They have also large orders on hand from various harvester companies. The business now on the books is sufficient to keep the plant operating to capacity for some time. A good demand exists for the stock around present levels.

NATIONAL BREWERIES

National Breweries common continued as an interesting performer this week when it broke 21 points from 190, but later recovered some of the loss.

STANDARD RELIANCE

[illegible] Complete [illegible]

At least a month, [illegible] will be required for the [illegible] of the Standard Reliance Assets Company which is to undertake the work of realizing on assets of the Standard Reliance Mortgage Corporation. The announcement of the personnel of the committee which will choose the permanent directors of the company has not yet been made, since the branches at Ayr and Chatham [illegible] to the appointment of their representatives. When these are chosen a directors' board of seven members will be elected, which will include G. T. Clarkson, the permanent liquidator.

The full statement of the affairs of the defunct company will not be completed until the middle of September.

CARTAGE RATES WILL BE HIGHER

Telegraph Companies Also Petition Railway Board for Permission to Advance Tolls

During the week the announcement has been made of an increase in cartage rates by the three principal railways, to take effect September 4th, and following that comes the application of all the telegraph companies in Canada, to the Railway Board, for an increase in rates.

An advance of half a cent to five cents per hundred pounds in cartage rate was passed by the Canadian National Railways, the Grand Trunk and the C. P. R., to take effect on September 4th. The action taken by the railways is due to the labor situation, the demand for shorter hours and increased wages for the employees engaged in freight cartage delivery, being responsible. The new tariffs provide for the following increases; on carload lots from 4½ cents per hundred pounds to 5 cents, and on less than carload lots, from 6 cents to 7 cents per 100 pounds. On "smalls" 300 pounds and under, the charge is raised from 25 cents to 30 cents per 100, and over 300 pounds from 35c to 40c, a straight increase of 5 cents per 100 pounds. These increases mainly apply to package freight hardware, sugar, etc.

The petition of the Great North-western Telegraph Company, the Canadian Pacific Railway Company, the Grand Trunk Pacific Telegraph Co. and the Western Union Company, points out that the revenue derived from the present scale, is totally inadequate, to maintain an efficient service, in view of the war in which the cost of labor and material has advanced. The increase in the case of labor is stated to have amounted to 60 per cent., and in the case of materials to 85 per cent., and there has also been sharp advances in taxes and rentals. Employees of the company are also applying for increases in wages. To meet the increases in expenditures, the companies contend that a 25 per cent. advance in tolls will be necessary. This is the increase requested in the petition to the Governor-General in Council.

WADDINGTON ESTATE

Real Estate, Stocks and Bonds Total $55,000

Herbert Waddington, manager of the Standard Reliance Mortgage Corporation, who died intestate on May 24 last, left an estate valued at $55,730. The widow, Mrs. Edna Dell Waddington, is entitled to one-third of the estate, and the deceased's children, Mossie M., Valerie D., Melville Wells, Orval Ralph and Roland Nelson Waddington share equally in the residue. The estate includes:

An interest of $1,500 in the Peninsular Park Syndicate, $100 in the Blantyre Syndicate, 10 shares Ford City Syndicate, values at $1,000; four River Road Syndicate, near Windsor, $1,000; an interest of $500 in the Glengrove Syndicate; $500 in the Cedars Syndicate; $500 in the Glengrove Extension Syndicate, $2,500 in the Oakwood Syndicate, one-half interest in 785 Dovercourt road, $1,400; one-third interest in the Glenviw Syndicate, $100; an equity of $1,000 in a lot on Glengrove avenue, $200 in a lot on Glenview avenue, $400 in 335 acres of timber land in Austruther Township, Peterboro'; $500 in fifty feet at Queen street and Kingswood avenue, $500 in five lots on Bastedo avenue, $400 in thirty feet of land on Briar Hill avenue; a lot in Mount Pleasant Cemetery, $74; $800 in four lots in the Township of Dover West, $3,000 in a farm in Yonge street, held by Dalton Properties, Limited.

The personality is made up of $16,358 insurance, $8,099 in a trust account in the Standard Bank, a balance of $4,120 with Bongard, Ryerson & Co., $200 in a savings account with the Standard Reliance.

The stocks include 100 shares Three O System, Toronto, $2,500; 80 Might Directories, $4,800; 25 Canada Producer & Gas Engine Co., $250; Casualty Company of Canada, $10; 10 Consolidated Trust Corporation, $10,500; Old Orchard Land Co., $2,000; William McBain & Co., $250; 5 U. S. Publishing Association, $200, and 1 Mission Book Co., $50.

NESBITT, THOMSON & COMPANY
Limited
INVESTMENT BANKERS

1404 C.P.R. Bldg. TORONTO, Ont.
222 St. James Street MONTREAL, Que.
Mercantile Trust Bldg. HAMILTON, Ont.

NIAGARA FIRE INSURANCE COMPANY
Incorporated 1850 Head Office: NEW YORK
Cash Capital: [illegible]
Total Assets [illegible] 1918: [illegible]
Canadian Department: MONTREAL W. E. Findlay, Manager
Toronto Agents: - - Murphy, Love, Hamilton & Bascom

Service for Corporations

Officials of Public Companies should be relieved of all possible detail and responsibility. The Union Trust Company is authorized and organized to be of assistance in several particulars:

1. Secretary, financial agent or book-keeper.
2. Trustee for bond or debenture issues.
3. Transfer agent and registrar of shares.

The Trust Company's appointment in any or all of these capacities will increase public confidence in any corporation and place the technical duties involved, on the shoulders of specialists. Your enquiries will be appreciated.

Union Trust Company
LIMITED
Henry F. Gooderham, President
Head Office: Corner Bay and Richmond Streets, Toronto
Winnipeg London, (Eng.)
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The Wabasso Cotton Co.

LIMITED.

ANNUAL REPORT 1919

DIRECTORS.

C. R. Whitehead, Three Rivers, P.Q.
Lieut.-Col. Wm. I. Gear, Montreal, P.Q.
Jas. W. Pyke, Montreal, P.Q.
Alex. Pringle, Montreal, P.Q.
R. N. Ball, Woodstock, Ontario.
Hugh Mackay, K.C., Montreal, P.Q.
W. G. E. Aird, Three Rivers, P.Q.

BALANCE SHEET As At 30th JUNE, 1919.

ASSETS

Property.—Real Estate, Buildings Plant Machinery, etc.		$1,340,620.30
Investments in Other Companies—		
Bonds of St. Maurice Valley Cotton Mills, Limited, at Cost	$ 56,416.68	
Bonds of The Wabasso Cotton Co. Ltd., at Cost	10,531.25	
Bonds of The Shawinigan Cotton Co. Ltd. at Cost	160,620.00	
Stock of The Shawinigan Cotton Co. Ltd. at Cost	93,955.00	
12,500 Shares of $100 each of St. Maurice Valley Cotton Mills, Ltd., Common Stock, being the whole issue	1,250,000.00	
		1,571,522.93
Loans.—Shawinigan Cotton Co., Ltd., Secured by $200,000 Debentures		60,000.00
Current Assets—Cash on Hand and in Bank	106,989.01	
Victory Bonds and Call Loans	327,539.24	
Accounts and Bills Receivable, less reserve for bad and doubtful Debts and Discount	386,333.52	
Balance due by Employees on account of Victory Loan Subscriptions	7,642.81	
Inventories.—Raw Cotton, Partly Manufactured and Manufactured Stock, Supplies, Chemicals, Fuel, etc.	376,549.64	
		1,205,054.22
Deferred Charges—Unexpired Insurance Premiums, etc.		10,834.80
		$4,188,032.25

NOTE.—The plant of the St. Maurice Valley Cotton Mills, Limited, is leased to the Wabasso Cotton Company, Limited, at a rental sufficient to pay all expenses, including Bond Interest, Sinking Fund, etc.

LIABILITIES.

Capital—			
Authorized—17,500 shares of $100. each		$1,750,000.00	
Issued—17,500 shares of $100. each fully paid			$1,750,000.00
1st Mortgage 6% Bonds due 1st June, 1947—			
Authorized and Issued		1,000,000.00	
Less Redeemed for Sinking Fund	$90,000.00		
Held in Treasury	19,000.00		
		109,000.00	
			891,000.00
Twenty Year 6% Debentures due 1936—			
To be used for Collateral purposes only		$ 600,000.00	
			$2,641,000.00
Current Liabilities—			
Accounts Payable		13,341.67	
Bills Payable, ($55,000.00 Bonds of Shawinigan Cotton Co. Ltd., pledged as Collateral)		40,778.81	
Operating Expenses, Accrued Wages and Reserve for Business Profits War Tax for years 1918 and 1919		523,620.43	
Bond Interest Accrued		4,455.00	
Unclaimed Wages		5,571.18	
Dividend Payable 2nd July		26,250.00	
			614,017.09
Mortgage on Boulevard House Property			12,000.00
Depreciation Reserve Account			317,751.95
Surplus—			
Balance as per Profit and Loss Account			603,263.21
			$4,188,032.25
Contingent Liabilities.—			
Bills under Discount	$43,232.54		
Guarantee to Bank for advance to Oxford Knitting Co. Limited	75,000.00		

PROFIT AND LOSS ACCOUNT.

For Year ending 30th June, 1919

Profits for the year ending 30th June, 1919, after deducting all Manufacturing and other Charges and Expenses, also Discount on Bonds, Organization Expenses, and provision for Business Profits War Tax, but before providing for Depreciation and Bond Interest			$460,975.67
Interest on investments, etc.			16,575.48
			$477,551.15
Depreciation on Property and Plant		$ 100,000.00	
Bond Interest		54,010.00	154,010.00
Net Profit			323,541.15
ADD Balance at Credit, 29th June, 1918		580,347.06	
Less Provision for Business Profits War Tax, 1918		200,000.00	380,347.06
			$703,888.21
Deduct Dividend 1 quarter at 1¼%	$21,875.00		
Deduct Dividend 3 quarters at 1¼%	78,750.00		
			100,625.00
			$603,263.21

NEWS AND VIEWS FOR MANAGERS

N.Y. COMMERCE CHAMBER PLANS TESTS FOR BOYS

Business Men Not Satisfied With Public School Courses

A LONDON IDEA

Gift of $200,000 From A. Barton Hepburn Lays Foundation for Novel Educational Proposal

When it is considered that since the signing of the armistice the number of bank branches in Canada has been increased by about eight hundred, the problem of staff training, and particularly with regard to securing "juniors" who have a fair chance of "making good" becomes apparent to the average business man even though he may not be directly concerned with it as is the bank manager. Bankers and others will find much of live interest in the proposals of the Committee on Commercial Education of the New York Chamber of Commerce—as outlined by Sherwin Cody in Forbes Magazine—in regard to improving the courses in business subjects in the public and private schools of the country.

Educators have long been aware that business men are not satisfied with the commercial education of our public and private schools.

It is an admitted fact that the standard of accuracy on the common fundamentals taught in every school in the country is low. An investigation of the Committee on Commercial Education of the New York Chamber of Commerce two years ago pointed out this defect very sharply.

Such ordinary matters as deducting three per cent. discount are apparently a scaled mystery to many high school graduates. Tests last year in eighteen high schools developed the fact that percentage is taught in few high school courses.

A certificate of graduation from a good commercial high school ought to be a safe basis for employing any clerk as a beginner, but it is well known that many incompetents get certificates of graduation, along with others who are indeed worthy of our schools. The National Ability Tests last year showed that the average of the graduates is very high in New York, but the lower third is not acceptable to business men, though all get graduation certificates alike.

Educators have responded to such criticisms that if the business men would set up the standards they wished to require in giving out jobs, which are the real prizes toward which all commercial education tends, they would earnestly and loyally strive to meet those standards. They have found fault with the business world for merely making disagreeable criticisms without offering any practical, constructive help to remedy the situattion.

So the New York Chamber of Commerce has at last taken a step of vital importance to this country—it has established regular examinations for junior and senior clerks, with a rather broad range of subjects, and considerable choice. A. Barton Hepburn, a former president of the Chamber, has given securities of an approximate value of $200,000, yielding about $8,000 income annually, which may be used to maintain the examinations. This will be a working fund, and in the course of time the fees that will be charged should make possible an enormous enlargement of the work.

Need of American Clerks

Mr. Hepburn sees the great need today for clerks familiar with foreign languages. It is clear that as a result of the Great War American foreign commerce is due for an immense expansion. At present the foreign business that does exist is carried on largely by foreigners. During the war we saw what it meant to have our business in the hands of Germans when the German nation became our enemy. We realized as never before that we were handicapped by having our foreign commerce carried in foreign ships, even when these were the ships of our allies. So we have set out to build our own merchant fleet. It is equally important that we should build our own personnel for foreign business. So a speaking knowledge of one foreign language is to be required for the "Junior Credential" and of two foreign languages for the "Senior Credential."

For the past twenty-five years the London Chamber of Commerce has been conducting examinations of this sort, which are now taken by thousands every year. They are given in more than two hundred and fifty centers scattered over the British Empire, and beyond a question have had a strongly stimulating reaction on British commercial schools. The fees are said to pay all expenses.

The examinations given are of the old-fashioned type, quite uninfluenced by the new methods of American psychological tests; but, they are practical, common sense, and not at all difficult to any one who can really perform the work desired by business men.

The New York Chamber of Commerce examinations will be open to comers from all parts of the country, and so may be regarded as a national undertaking. There is apparently no reason why the lead of the New York Chamber of Commerce should not be followed by Chambers of Commerce all over the country. By co-operation with the New York Chamber they might give the same tests, as the London Chamber of Commerce has its centers all over the British Empre. This is the possibility. For the present, at any rate, the New York Chamber of Commerce examinations will be open to anyone from any part of the country who may care to come to New York next September to take them.

Outline of Examination Plan

The examinations to be given Sept. 11-25, which will be prepared by specialists on the various subjects, will be in charge of Dr. R. C. McCrea, Professor of Economics in the School of Business of Columbia University.

There will be a qualifying test on English and arithmetic.

Junior credentials require an elementary conversational knowledge of one foreign language, and senior credentials call for two modern foreign languages (choice of French, German, Spanish, Italian, Dutch, Russian, or Portuguese).

To emphasize Spanish, a prize of $50 is offered for the best Junior examination, including Spanish, and $100 for the best Senior examination including Spanish.

Required subjects for the Junior credentials are English, arithmetic, handwriting and commercial geography, either algebra or geometry, and any two of the following subjects: commercial history of the United States, commercial law, bookkeeping, shorthand, modern business forms and procedure.

Required subjects for the Senior credential are English, handwriting, arithmetic (commercial), commercial geography, business organization and administration, economics, elementary accounting, and any two of the following subjects: Money and banking, economic history of the United States, business law, international banking and foreign exchange, investment finance, insurance, railroad transportation, business methods in foreign trade, marketing methods in domestic trade.

BIG CONVENTIONS OF BRANCH MANAGERS

Union Bank Officials Planning Meetings for Toronto and Montreal

Tentative plans are for the holding of two conventions of branch managers of the Union Bank of Canada in Toronto on August 21 and in Montreal on August 22. These conventions will follow similar series of conferences held at five Western centres between executive officers of the home office and branch managers representing 260 branches throughout the Western provinces.

H. B. Shaw, general manager, in Winnipeg this week, following his return from the Western tour, declared the recent conferences to have been "a most profitable experience." "As a 'get-together' in an endeavor to improve the working conditions of the men who are in the service of the Union Bank of Canada, and as a medium for broadening our services to the general public, these conferences fully justified themselves," he stated, announcing the intention of holding conventions annually.

Mr. Shaw stressed the rapid expansion of Union Bank of Canada, both in Canada and abroad, the foreign filed being exploited through the subsidiary, the Park-Union Foreign Banking Corporation, now operating at several strategic commercial centres in the United States, Paris, France, Japan and China. Mr. Shaw intimated that in addition to the present branches further openings in the Far East were contemplated.

"Our policy is to make of the Union Bank of Canada more and more a financial highway for the further development of Canadian trade with foreign countries." At the same time Mr. Shaw reminded that the outstanding endeavor of the recent conventions had been to instil in the branch managers the need for the fullest possible development of a community spirit. "We may not be the biggest bank in Canada from the standpoint of figures," he commented, "but we can be the biggest bank from the viewpoint of character and service."

CANADIAN BANK STARTS A RURAL SERVICE BRANCH

Appoints Two "Free" Representatives Ontario and West

BANKER—FARMERS

Will Try to Improve Financing Methods and Give Advice on Markets, Transportation, etc. —Interesting Experiment

An innovation in Canadian banking methods has been undertaken by the Merchants Bank in the establishment of a Rural Service Department, and the results will be watched with keen interest in banking circles in this country. This bank, more than most, has directed its efforts to build up business among farming communities, and the formation of the new department is an effort to extend the service it has been providing in the past.

For the present this new department falls into two main divisions, one for Western Canada, with headquarters at Regina, Sask., and the other for Ontario, with head office in London. The manager for the four Western Provinces is James L. Clarke, and for the Eastern, Angus A. Werlich. Both men combine a rare type of experience, both in banking and in farming, and thus are fitted to be what might be termed the link or bond between the farmer and his operations, and the bank and its financial activities. Both have grown up in the Merchants' Bank; both at the same time have had much farming experience. Mr. Clarke, for instance, has been manager of the bank's branches at Sedgewick, Alta.; Oak Lake, Man., and Grenfell, Sask., covering all three of the "prairie" provinces; while he is at the same time well known as a stock man, being proprietor of the Lyledale stock farm in the Sedgewick district, while Mr. Werlich's experience has been on the same scale in the Province of Ontario. With such equipment these two pioneers in Canadian banking of this special type go forth on their mission.

In Close Touch With Farmers

And what is the mission? For some time the bank has felt that there should be certain members of its staff who would be free of the routine work of banking involved in attachment to any particular branch, and yet representatives of the bank, with a practical knowledge of actual banking problems, who would be able to go about, meet the farmers, discuss their problems, give them information about the markets, quotations for their products, direct them in regard to transportation, and the best routing of their "merchandise"; get them, moreover, to get into the way of keeping scientific accounting of production, expense, profits, etc., just as the best business man would do, but in a way that would fit in with the peculiar conditions under which farming must be carried on from the financial point of view. One of the immediate questions that is troubling the West comes to the rancher in the difficulty in securing feed for his cattle in the dry districts; the Rural Service Department is inviting the cooperation of rancher and farmer to solve this problem of the present uneven harvest season. The bank will facilitate the transport of such fodder in the one case, or aid in the disposal of stock that cannot be fed in the district. While the two cities mentioned will be the headquarters of the "Rural Service" managers, they will cover the whole districts, and by person and by letter will endeavor to get in touch with hundreds and thousands of those to whom they feel they can be of assistance.

"Coaching" the Bank Manager

There is another very valuable side to the new work; not only the assistance that will be accorded to the farmers, but to the various branch managers in these districts. In the rapid opening up of branches in the West it was inevitable that many of the younger managers should be men who were still inexperienced, comparatively, with conditions in farming districts; to those the new men should be of great help in an advisory capacity. The local managers in turn will keep the Control Manager of the Department in touch with special conditions in each centre.

Editorial Commendation

The bank at the outset deemed it wise to make an announcement of the plan it was working out in several papers that reach the farming classes of the West, and the Regina "Leader" within the past week commended the plan in an editorial. Among other

Continued on page 16

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The Secret of the Strikes

Most Canadians are asking "What is the cause of the 'Great Unrest' "? Is it the fault of labor—or of capital?—or is it the result of German propaganda? Do you know of the real reason for the labor disturbances in Canada, and elsewhere? Are YOU thoroughly familiar with the ins-and-outs of the plans which threaten a world-wide "tie-up?" This is something that should be understood by every Canadian. And every Canadian should read "The Secret of the Strikes," by Lieut.-Colonel J. B. Maclean in the August issue of MacLean's Magazine. It is brimful of startling and authoritative information regarding this great problem. Read it carefully. It starts on page 33, August MacLean's.

"The Lecturer At Large"

Stephen Leacock is one of the continent's greatest humorists. "The Lecturer at Large" is one of the best humorous sketches that he has written. It is made up of what he terms "a few painful reminiscences of the platform" in the course of his lecturing up and down Canada. Get your family around you and read the sketch aloud—it's a rare treat.

Other Big Features

"A Party in the Making." By J. K. Munro. Illustrated by William Casey. An article on the political situation, giving a great deal of inside information with reference to recent developments at Ottawa.

"Solving the Problem of the Arctic." By Vilhjalmur Stefansson. The fifth instalment of his story of the five years' explorations that he conducted for the Dominion of Canada.

"The Unspoiled Country." By Harold C. Lowrey. A descriptive article of a part of Canada which is little known to Canadians generally, Temagami.

"Petite Simunde." By Arthur Beverley Baxter. Illustrated by E. J. Dinsmore. A charming romance of the war. The author will be remembered favorably for his "Mr. Craighouse of New York, Satirist."

"The Seven Blue Doves." By W. A. Fraser. Illustrated by Charles L. Wrenn. The fifth of the Bulldog Carney series and in some respects the best. It is a mystery story.

"His Majesty's Well-Beloved." By Baroness Orczy. Illustrated by C. F. Peters. The second instalment of this splendid romantic novel of the colorful era of Charles II.

The Month's Vital Question

Turn to page 34, August MACLEAN'S, and you will find timely and interesting information regarding the High Cost of Living—a problem of large proportions.

The Review of Reviews

Here are a few of the articles chosen as the best published during the past month in all magazines:—Britain Winning Supremacy of the Air; Has Japan Two Governments?; Kaiser Employed Famous Beauties; The New Triple Alliance; Mammoth Animals in Alberta.

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DIVIDENDS DECLARED

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE PER CENT upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the SECOND DAY OF SEPTEMBER next, to Shareholders of record of 31st July, 1919.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 22nd July, 1919.

Belding Paul Corticelli Limited

DIVIDEND NO. 19.

NOTICE is hereby given that on the deferred dividends of the preference stock of this Company the Directors have declared a dividend of 3½% payable on the 15th September to shareholders of record at the close of business the 1st day of September, 1919.

By Order of the Board.

D. R. KENNEDY,
Sec.-Treasurer.

The Royal Bank of Canada

DIVIDEND NO. 128.

NOTICE is hereby given that a DIVIDEND of THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday, the second day of September next, to shareholders of record of 15th August.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., July 15, 1919.

The Canadian Bank of Commerce

Dividend No. 130

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of twelve per cent. per annum, has been declared for the quarter ending 31st August next, and that the same will be payable at the Bank and its Branches on and after Tuesday, 2nd September, 1919, to shareholders of record at the close of business on the 16th day of August, 1919.

By order of the Board.

JOHN AIRD,
General Manager.

Toronto, 22nd July, 1919.

Canadian Pacific Railway Company

DIVIDEND NOTICE

AT a meeting of the Board of Directors held to-day the following dividends were declared:—

On the Preference Stock, two per cent. for the half-year ended 30th June last;

On the Common Stock, two and one-half per cent. for the quarter ended 30th June last, being at the rate of seven per cent. per annum from revenue and three per cent. per annum from Special Income Account.

Both dividends are payable 1st October next, to Shareholders of record at 3 p.m. on 2nd September next.

By Order of the Board,

ERNEST ALEXANDER,
Secretary.

Montreal, 11th August, 1919.

Bank of Hamilton

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Three per cent. (Twelve per cent. per annum) on the paid-up capital of the Bank, for the quarter ending 31st August, has this day been declared, and that the same will be payable at the Bank and its branches on 2nd September next.

The Transfer Books will be closed from the 20th to 31st August, both days inclusive.

By Order of the Board.

J. P. BELL,
General Manager.

Hamilton, 28th July, 1919.

BIG BOOM IN ADVERTISING HELPS NEWSPRINT MILLS

Very Optimistic Report Was Made to Canadian and U.S. Makers

MORE SHIPPING

Representative in England Gets Promise for 150,000 Tons —Price, Not Sentiment, Will Decide

By Resident Representative.

MONTREAL.—The quarterly meeting of the Newsprint Service Bureau, covering the manufacturers of newsprint in the United States and Canada, which was held this week in Montreal, drew from the newly elected president, P. T. Dodge, a very encouraging survey of prospects before the mills. Mr. Dodge is president of the International Paper Company, the largest producer of paper in the world, and his views were the result of inquiries he had made of a large number of representative newspaper publishers in the United States, advertising agents and printing machinery manufacturers.

He had learned, he said, that advertising had increased roughly 40 per cent. over what might be considered the normal, with the result that much larger newspapers were required, and consequently a much increased consumption of newsprint. He gave three causes for this increase in advertising. One was the desire of United States manufacturers to reconstruct their businesses that had been greatly interfered with during the war, and to do this they had decided on wide publicity for their products. Another cause was the coming into the field of many new advertisers, who had become convinced of the value of advertising, and these would probably be a permanent factor. The third reason was that the imposition of the income tax on manufacturers in the United States had led many to see that they could afford to spend money on advertising in the expansion of their business that would, if they did not do this, go to the Government as a tax. These three factors chiefly had led to a tremendous growth in advertising with a consequent increase in the demand for newsprint in the United States, with the obvious advantage to Canadian mills as 89 per cent. of their production goes for export.

New Presses Needed

Another valuable testimony to the future of newsprint demand came from the makers of printing machinery. Practically all the big plants were loaded with orders for a year and a half ahead,—not for machinery to take the place of existing machinery, but machinery that the publishers required for new and bigger papers. This was an indication of the heavier demand there would be for paper and the mills would have all they could do to cope with this.

In outlining the attitude of the mills towards the price question, Mr. Dodge said they were ready to let the consumer take care of the ice question. In most cases the consumer looked for higher prices in view of higher costs of production and the greater demand on the mills.

More Shipping Space

For the Canadian Pulp & Paper Association, Edward Beck reported that several cablegrams as well as letters had been received from A. L. Dawe, the secretary, who is over in England endeavoring to secure better shipping arrangements for Canadian pulp and paper. Some success had already been obtained and a promise had been given that between the first of August and the beginning of November space would be provided for 150,000 tons of pulp from Canada. He thought that the indications were that whatever changes were made in the tariff that newsprint would be continued on the free list.

He stated also that a number of articles that had been prepared on behalf of the Association, outlining the extent and possibilities of the pulp and paper industry in Canada had been accepted and published in English papers, magazines, etc., and that generally there was more business offering for Canadian mills there than they could handle. The price to-day quoted by the British mills is 6½ cents a lb. for newsprint as compared with the fixed price of a little less than 3½ cents a lb. in Canada.

A rather significant report of Mr. Dawe was that the British paper consumer was not influenced much by sentiment; there was little question of preference to Canadian mills, the main point was the price at which they could deliver the goods, and that the markets of Sweden and Germany would be utilized if the price were not favorable. It was a straight business proposition, in the view of the Association's representative.

MONTREAL COTTONS INCREASES DIVIDEND

Rate Goes Up From 4 to 5% Company is in Strong Position

By Resident Representative.

MONTREAL.—The long expected increase in the dividend rate of Montreal Cottons went into effect this week when 1¼ per cent. was declared on the common stock, payable Sept. 15, to the record of August 31. At the annual meeting the subject was raised of an increase in dividends, on the ground that this company was paying far less in returns to the shareholders than the most of the other Canadian textile companies, and could well afford to pay more, but the president, S. H. Ewing, did not hold on much hope of any increase. So the same time the stock held firm and the feeling has been ever since that an increase was imminent. The price of the common rose from a low of 58⅜ to a high of 72¼ this year, but in the present slump has been off a little to 68, firming to 70 on news of the increased dividend. The 4 per cent. rate had been paid on the capital of $2,949,600 since 1912. This company in common with the other textiles is doing exceedingly well, both in domestic and export business.

OFFICIAL DENIAL OF MERGER TALK

Rapid Advance of Western Canada Flour is Otherwise a Mystery

The sharp advance in the common stocks of the Western Canada Flour Mills during the week has occasioned some speculation, and the natural reversion to the old rumor of a merger. Officials of the company give an unqualified denial to the merger report, however, but can give no definite reason for the sudden activity of the stock. It is probable, however, that the real reason is that some buyers are forecasting an advance, and are willing to pay to get the stock. The company is known to be doing a good business, and even at the advanced figures the stock is selling well below the average of other milling industries of the same size. From an even level of 140, there was a very sharp advance Mondays, sales opening at 150 and climbing steadily till they reached 170. There was a decline from this figure before the end of the day's trading and Wednesday showed 160 asked, with 150 bid.

CANADA STEAMSHIPS

Common Stock Strong on Revised Dividend Talk

The common stock of Canada Steamships Lines took a sudden upward move of a couple of points this week on the rumor that the Board would consider placing the stock on a five per cent. basis instead of the present four. The meeting came and went and the regular dividend was announced as before, 1 per cent. payable Sept. 15 to holders of record Sept. 1, while at the same time the preferred dividend of 1¾ per cent. was announced, payable on Oct. 1 to record of Sept. 15. The stock then proceeded to lose those two points as quickly as they were won.

The company's tourist business continues to break all records, and it is estimated that the season will close with a gain of at least $500,000 in this department over last year's returns. This rush of traffic is not, of course, peculiar with the boat lines, but generally includes the majority of the better known hotels and other accommodations for outings. Reports from the Maine coast, where crowds of Canadians gather, are to the same effect.

BRAZILIAN TRACTION

Speaking in regard to Brazilian exchange, Sir William Mackenzie points out that the value of the milreis is again approaching par. It is now worth 15 pence, and the par value is 16 pence. Brazilian's June statement was a very favorable one. Gross earnings at 9,369,000 milreis show an increase of 282,000, while the operating expenses increased 188,000 milreis. The net at 4,877,000 milreis shows an increase of 94,000 milreis. The aggregate gross this year reaches a total of 53,963,000, and the net 28,350,000, the latter showing an increase for the half year of 3,648,000 or nearly fifteen per cent.—14.76 per cent. to be exact.

CANADIAN NATIONAL

The Canadian National Railway gross earnings for the first week of August amounted to $1,811,263, as against $1,546,287 during the first week of August, 1918. This year's figures show an increase of $264,976, or 17.1 per cent. Since the 1st of January the increase amounts to $5,754,434, this year's figures being $49,478,250, as compared with $43,723,816 last year.

DULUTH-SUPERIOR

The August earnings of the Duluth-Superior Traction Company amounted to $37,101, an increase of $5,197, or 16.3 per cent. For the year to date the total is $1,133,431, an increase of $118,235, or 11.6 per cent.

A FINANCIAL REORGANIZATION IRON FOUNDRIES

A and B Debenture Stock Issues Are to be Redeemed

MEETINGS CALLED

Holders of Debentures to Gather at London and Shareholders in Montreal—New Debenture Issue

By Resident Representative.

MONTREAL.—For the purpose of reducing the funded charges, a plan has been drawn up for redeeming "A" and "B" debenture stock of Canada Iron Foundries by a cash payment and preferred stock. A special meeting of the holders of both "A" and "B" issues has been called to meet in London on August 27, when it is hoped the proposal will be accepted. Two days later the shareholders of the company are called to meet at the head office in Montreal to learn of the action of the British investors, and to authorize the carrying out of the proposal set before them.

This consists of the redemption of the "B" debenture stock for £45 cash and £60 ($300) preferred stock for each £100 debenture stock outstanding. A similar proposal is made in connection with the "A" issue. There is outstanding $2,864,520 of 6% "B" debenture stock due on July 1, 1945, given in exchange for the first mortgage 6 per cent. bonds of the Canada Iron Corporation at the time of the reorganization. The "A" issue amounts to $606,800. The "B" issue was non-cumulative for three years, but an income security.

A New Issue

In place of the total of nearly $3,500,000 debenture issues, there will be a new issue of $1,000,000, 20-year first debenture stock bearing interest at 6%. This will be used to meet the cash payment to "A" and "B" holders. The FINANCIAL POST is informed that this issue will be offered in England, and arrangements have already been made for its underwriting. The president, who is there now, secured permission to offer this on the ground that it is really a refunding issue. To cover the issue of preferred stock 200,000 new shares of $10 par value will be created. In order to cover the legal point in reference to a new stock issue, 20,000 unissued shares of common stock will be cancelled.

A TANGLED ESTATE

Over 50,000 Shares of Reid—Newfoundland Stocks Involved

MONTREAL.—Harriet Duff Reid, of this city, has instituted proceedings in the Superior Court, in the form of a petition presented by C. H. Cahan, K. C., and George V. Cousins, asking for the appointment of a sequestrator in connection with the management of 54,768 shares of the Reid Newfoundland Company, now deposited with the Royal Trust Company. The action is directed against Sir William Duff Reid of Montreal; Harry Duff Reid of St. John's, Newfoundland; Robt. Gillespie Reid, Jr., Baron Shaughnessy, the Royal Trust Company and the Reir Newfoundland Co. Miss Duff in her petition, claims that the estipulation in her father's will, that at the death of his wife, and her mother, the estate should be wound up distributed among the heirs, had not been adhered to, but that Sir. William Duff Reid, and others as executors, had continued the management of the Reid Newfoundland Company, and kept and operated the estate for their own account and benefit. The hearing of the case will take place on September 2.

MAPLE LEAF MILLING

Though the great elevator and mill of the Maple Leaf Milling Company was only a comparatively short distance from the Government elevator that was destroyed early in the week with such a tragic loss of life, it escaped without anything but minor damage. A fairly considerable bill for window glass will be about the extent of the loss. Indeed, the company is likely to benefit by the accident, as the location of its elevator, at the central distributing point at Port Colborne will in all probability be a sufficient inducement to encourage the Government to continue to use it until some definite arrangements can be made for replacing the destroyed elevator.

There was some trading in the stock of the company during the week, the range being 177 to 178, the high figure being on a line with the high for the season. The preferred sold at 105.

B. C. FISHING

The pessimistic reports of the run of sockeye on the Fraser River has had a somewhat depressing effect on the stock of the British Columbia canners, which showed a range of from 48½ to 49 against a former high of 59. As a matter of fact this company is believed to be in a very satisfactory position. It controls fairly heavy stocks of sockeye and other better brands of salmon, and has done a very considerable export business. On the whole it is believed that it will show a very satisfactory season.

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American Car & Foundry directors have discussed increasing the annual dividend rate on the common stock from 8% to 12%, and there is reason to believe this action will be taken at the meeting scheduled to be held Sept. 1.

WORLD'S GOLD PRODUCTION IS STILL DECLINING

But High Mark Was Reached in War Year of 1915

BULK TO BANKS

Over $200,000,000 European Banks and Nearly $100,000,000 to United States Treasury During 1918

LONDON. — Gold production throughout the world continues to decline, and last year saw a further considerable shrinkage in the output of all the chief producing countries. The largest output of any pre-war year was that of 1912, valued at £95,854,568, but, curiously enough, that was surpassed in the first full year of war (1915), when the output reached £79,000,000, and showing a decrease of a consistent decline, the value of last year's output being only a shade over £97,000,000, and showing a decrease of over £17,500,000, or over 18 per cent., as compared with that of 1915.

This reactionary tendency may be ascribed to two main causes — the shortage of labor brought about by war conditions and increase in working expenses, which made it impossible to work low-grade mines at a profit. This latter factor was undoubtedly the more serious, and caused considerable concern among gold producers generally, who agitated for some form of bonus or subsidy which would enable them to operate mines which, owing to heavily-increased working expenses, could no longer produce without incurring loss.

The gold producers of the British Empire petitioned the British Government, who, in October last, appointed a committee to investigate the effects of the war upon gold production. A couple of months later that committee reported against encouraging production by means of subsidies. The subject was also studied by a committee appointed by the United States Treasury, which committee in due course also reported against any unusual measures to encourage production in that country, and suggested in January last that the return of normal conditions and the decline in prices might be expected to stimulate the current year's output. So far, there has been no appreciable fall in prices, so that the prediction seems most unlikely to be fulfilled.

In the following table we give particulars of the output in ounces of different countries for each of the past three years:

	1916. ozs.	1917. ozs.	1918. ozs.
Australia	1,954,774	1,738,863	1,585,000
Africa	10,713,101	10,381,953	9,542,024
United States	4,479,057	4,051,440	3,313,378
Canada	930,492	738,833	710,532
Russia	1,088,437	870,750	830,000
Mexico	372,638	435,375	420,000
Other countries	2,357,595	2,273,962	2,203,000
Total (ozs)	21,895,494	20,491,176	18,603,929
Value (£ stg.)	93,007,679	87,042,417	79,025,770

In every country save Mexico production has steadily declined. America's output was last year the smallest since 1898, and all the producing States, save Arizona, shared in the decline.

Of the gold produced, much, but not all, continues to find its way into the leading banks of issue. Thus it is calculated that about £43,000,000 went to increase European bank reserves in 1918. The total increase in European banking reserves and in the stocks of the American Treasury is estimated at about £51,000,000, or some £28,000,000 less than the world's output. Thus, while the requirements of the arts are large, the great bulk of the gold produced continues to be used as the basis of currency, and it is for that purpose that the need of it is most marked at the moment.

It may be noted, in conclusion, that, while the output of the other precious metal, silver, also declined last year, slipping back from 163 to 160 million ounces, its value in sterling showed, at £31,540,000, an increase of over £3,600,000, owing to the further rise in price.

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HOLLINGER'S HALF YEAR

Net Profits of a Million and a half Shown

The report issued by the Hollinger Consolidated Gold Mines, Ltd., for the first six months of the year—from January 1 to June 17, 1919—shows net profits of $1,519,756.91. In dividends there were paid out $738,000, the sum of $781,756.91 being added to surplus.

The total income for the period—in gold and silver bullion, interest, exchange and sundries, was $3,166,625.37. The general mining and milling charges, taxes and sundries brought the operating expenses up to $1,646,868.46. The expenditures for plant were 89,895.13.

The mill ran 69 per cent. of the possible running time, treating 316,386 tons, of which 50,477 tons came from development. The average value of the ore treated was $9.93 per ton. The number of employees on the payroll on the two dates mentioned compare as follows:

	At June 17, 1919.	At March 25, 1919.
Miners	905	866
Mechanics	180	182
Mill	147	154
General	112	109
Total	1,344	1,311

Assets and Liabilities

Assets—	
Capital assets	$24,358,112.17
Current assets	2,862,368.69
Bullion assets	484,226.19
	$27,704,707.05
Liabilities—	
Capital stock	$24,600,000.00
Current liabilities	251,663.13
Surplus	2,853,043.92
	$27,704,707.05

SILVER FIND IN B. C.

Good Strike Reported From Gold Bug Claims

REVELSTOKE.—A rich vein of silver ore has been uncovered on the Gold Bug Mining claims in the Lardeau country. The property, which is on the south fork of the Lardeau Creek, seven miles from Trout Lake City, is practically in the creek bottom, and is about 4,000 feet below the well known silver cup mine, and the vein which has now been opened into pay ore is apparently a continuation of the Nettie Silver Cup belt. The strike has been made at a depth of about 100 feet.

DOME

The only obstacle standing in the way of increased mill output at the Dome is lack of labor. The mill now treats 700 tons a day. Its capacity is 1,500 tons, more than double present output. The company has the money, and it has the equipment to bring production up to top figures. The ore now running through is between $9 and $10 a ton in value. The treatment of higher value ores than the general run of the mine is, of course, to pile up strong financial resources. As the staff is added to, and tonnage is increased, it can be presumed that more lower-grade stuff will be treated. Before the mill shut down last year, the millheads ran $5. At the present time the money value of the output is about as great as when the mill was running full force.

PRESSED METALS

In quoting from a circular of F. C. Sutherland & Co. recently the statement was made that Pressed Metals, Limited, was controlled by the Russell Motor Car Co. The secretary of the latter company makes the statement that this was entirely in error, there being no connection whatever between the two concerns.

DAVIDSON

Independent engineers who were examining the Davidson Gold Mines on behalf of interests connected with the Davidson Consolidated Mines, put 700 tons of ore through the mill for test purposes, according to the Toronto Times. Average values came to $21 to the ton. The ore was not selected, but was taken from every developed section of the mine.

The plans of the Davidson Consolidated Company include the making of a three-compartment shaft north of the present workings down to the 1,000-foot level, when, it is expected, the main ore body will be cut. Plant extensions are planned commensurate with the enlarged operations contemplated. So far the limits of ore bodies being opened up have not been reached. The management purposes to cross-cut west of the shaft at the 500-foot level to determine the limits of their ore body.

An ore body from 100 to 500 feet in width accurs in the section of northeast Tisdale, of which the Davidson is the centre. The zone extends for a mile and a half east and west.

ALASKA GOLD MINES

Alaska Gold Mines has issued its report, covering operations for the second quarter of 1918, showing a deficit of $56,483, as compared with a deficit of $106,784 for the quarter ended March 31, 1919, and a deficit of $14,428 for the second quarter of 1918.

FRONTENAC BREWER'S DOUBLING CAPITAL

Increasing From $1,000,000 to $2,000,000—Bond Issue of $400,000

By Resident Representative.

MONTREAL.—After its chief rival, National Breweries, had been absorbing most of the stock market limelight, Frontenac Breweries came into some prominence this week through a notice of a special general meeting of shareholders called for Tuesday, August 19, to authorize the Board of Directors to apply for supplementary letters patent to enable the company to apply for an increase of its capital from $1,000,000 to $2,000,000, and to make a further issue of $400,000 in bonds. It is not the intention to issue the full amounts authorized in either case, but it is desired to place the board in a position to secure the cash necessary to develop the company's business, which has more than doubled since the "wine and beer" referendum was carried for the Province of Quebec in April 1st. Indeed, it is stated that the orders offering are three times what the plant can turn out. Up to the present the profits have been utilized for purposes of expansion, but it is felt that prospects are so bright that some return should be made shortly to the shareholders. At the present time there are arrears in bond interest, but provision satisfactory to the bond-holders has been made for these, and indeed, the financial position of the company now is such that these could readily be met. There is also a proposal to meet at least a portion of the arrears on the preferred stock very shortly. The Board of Directors is as follows: President, Joseph Beaubien; Hon. J. M. Wilson, Hon. C. P. Beaubien, K.C., C. H. Branchaud, A. Stewart McNichols, and L. J. Mouton. The stock has fluctuated between 43 or 44 and over 90 in the last few weeks.

A NEW "KING EDWARD"

A Thousand Room Hotel Planned for Toronto

Extensive additions to the present building of the King Edward Hotel are announced. The uew plans will give the hotel a frontage of 92 feet on King Street, and a depth of 198 feet, and will take in the store of the John Catto & Co., and the old Sullivan Hotel. It will be fifteen storeys high, adding 500 rooms to the present capacity, giving a total of nearly 1,000 rooms, and will include a convention hall to seat two thousand, and a restaurant to serve one thousand guests, making the King Edward one of the largest hostels in America. A roof garden is planned for the fifteenth storey.

The cost of the new addition will be approximately $2,000,000, and work will start inside of three months, in tearing down the old buildings, according to Geo. H. O'Neill, manager of the United Hotels Co., of America, in Canada. No information is yet available as to how the financing will be arranged, but it will probably involve a local issue along similar lines to those made in connection with various other projects of the company.

B. C. ELECTRIC FARES

Case Between Company and City of Vancouver Staged

VANCOUVER.—The stage is practically all set for the hearing of the six cent fare case between the city of Vancouver and the B. C. Electric Railway Co., in which the former will ask for a return to the original five cent fare or six tickets for a quarter. Major J. L. Retalack, the new Provincial Utilities Commissioner, has made public his decision upon the scope of evidence which will be admitted. With a few qualifications he rules that the principle of considering a company's investments and operations in relation to a rate applicable to a part thereof has been established and would be followed by him in the present instance. This decision means that all of the company's lines on the lower mainland will be up for consideration, excluding only the lines and operations in Victoria. The Vancouver Gas Co., a B. C. electric subsidiary company, will not be under review.

CANADIAN PACIFIC

The following dividends have been declared by the board of directors of the C. P. R.: On preference stock, 2 per cent. for the half-year ended June 30 last. On common stock, 2½ per cent. per quarter ended June 30 last, being at the rate of 7 per cent. per annum from special income account. Both dividends are payable October 1 next to shareholders of record at 3 p.m. on September 2 next.

DOMINION CANNERS

The publicity given to Dr. McFall's charges anent the Dominion Canners may in a measure have been responsible for the falling-off in the stock during the past week. There is little else to account for the decline, as conditions promise very favorably for the company. The range for the week was 60½ to 62 against a quotation last week of 65 and a high for the season of 66.

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Bonds for Investment 17

English Capital Interested in Davidson Consolidated

IN the past we have consistently and with good judgment advised the purchase of shares in Davidson Gold Mines, Limited. Exploration work at the property has resulted in the opening up of wide bodies of commercial ore, which has been proven to extend into adjoining territory. The management of the company considered that it would be a matter of good business, having regard to the future of the organization as an important gold producer, to acquire this highly desirable connected ground. Accordingly a consolidation was effected increasing the area to more than 400 acres. We view the consolidation as a great stride toward bringing the property to the status of such sterling gold producers as the Hollinger and McIntyre, the future of which had been provided for in a similar manner.

English interests are negotiating for the purchase of a substantial block of the consolidated company's stock at something better than 75c a share.

This fact speaks for itself.

STOCK OF DAVIDSON GOLD MINES CARRIES A BONUS
Shares of the Davidson Gold Mines are now exchangeable in the proportion of four shares of new stock for three of the old.

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NEWS OF THE BOND MARKET

DOMINION LOAN CAMPAIGN TO START OCT. 27

Selling Plans Being Developed Along Lines of Last Year

OFFERED AT PAR

Accrued Interest While Payments Are Being Made Expected to Make a Slight Discount

Facing the task of raising at least $250,000,000 through the 5 and 15-year, 5½ per cent. taxable Government bonds, the old Dominion organization, called to Ottawa some two weeks ago to confer with Sir Thomas White, are already taking steps to start rolling a force similar to that which last year achieved such great results. A good many of those who discussed this year's Dominion Loan with Sir Thomas favored a non-taxable issue—that is two classes of bonds, one taxable and one at a much lower rate of interest, free from taxes. The verdict was against this, however, and now all are buckling to, getting the work of organization started.

The loan, it is learned, will be floated in a three weeks' campaign, starting October 27 and concluding November 15. The method of seeking the subscriptions will also be along the lines of last year. The very personnel of the various committees seems likely to be similar to those of 1918, for the Dominion organization of last year it was largely which went into the matter of this year's loan with Sir Thomas, and this organization has appointed the Dominion sub-committees and asked the Provincial chairmen of last year to act as Provincial conveners, calling the Provincial forces together so that these may promptly elect their 1919 chairman and proceed to the work of arranging for a thorough canvass of their territory.

Already some of the Dominion sub-committees have got well started on their work. The committee on publicity, for instance, has called for poster designs, has examined sketches, and has placed orders for a number of posters. The idea of these will be somewhat different from those of 1918—as indeed will be the line of all advertising. The appeal of the battlefield is to be superseded by the appeal to assist in repatriation of the soldiers; to assist in the necessary work of converting plants from a war to a peace basis; to assist with the country's finance so that Canada may be developed to the point where it will be able to do its fullest work in assisting a war-scarred world back to the normal.

What of Taxable Feature

The taxable feature of the coming issue is one which is causing a good deal of speculation. It is feared that this may render more difficult the work of getting large subscriptions from some of those who would, by a tax-exempt issue, be building up an income proof against all taxes and super taxes present and prospective. There is also the question as to whether certain municipalities, insurance companies and others who are not touched by the super tax, will not find it to their advantage to sell the 1937's and the 1933's at the high mark to which they are apparently returning, and to invest the proceeds in the new issue. Should such a state of affairs develop, it is a little hard to see what the effect on the success of the new loan would be. There would unquestionably be a lot of the 33's and 37's thrown on the market, and should these be absorbed by those having large incomes to protect from super taxes it would undoubtedly mean that these men of large incomes would not have much to invest in the new issue. On the other hand the municipal and institutional sellers of '33's and the '37's would assuredly reinvest in the newer issue.

Rate Now Known

As the time for floating the issue draws nearer some fuller facts as to the price of issue come to hand. It seems now that the coming issue will be marketed at par, but there will really be a slight discount for full interest will be paid for the first half year though payments may be made in five monthly instalments as last year—10 per cent. payable probably on the first of December, 20 per cent. for the three succeeding month, and 30 per cent. for the April payment.

U. S. Has Advantage

The rate of exchange as between Canada and the United States is another factor which those feeling out the signs for a successful issue are considering. There is of course hope that the present high value of the American dollar in Canada will decline, but none are so sanguine as to expect that the adverse balance will be wiped out in the few short weeks which remain before the new loan is floated. Any premium on American funds will of course make the issue more attractive from the standpoint of the American investor.

BOND SUGGESTIONS TO RETURN 6½%-7%

Lending Investment Houses Make Suggestions for the Benefit of Investor

What, if any, are the "good, sound" bond offerings in the Canadian investment market at present offering a return of 6½ to 7 per cent.? This is a question which has been asked by the FINANCIAL POST by an investor and has been passed on to a number of the leading bond houses. Replies indicate that it is rather too much to ask for "sound" security to give the return referred to. However, the suggestions will no doubt be interesting to those who are seeking bonds of the class referred to:

Osler & Hammond, Toronto.—"Seven per cent. on bonds and absolute safety is a combination not easily effected, and we would be inclined to suggest that your enquirer be satisfied with a somewhat lower income return. We do not think he could go far wrong by investing in some of the bonds of our leading industrial companies, and, among others, might mention Canada Cement Company, Canadian Locomotive Company, Ogilvie Flour Mills Company and Steel Company of Canada—all sound companies even if at current prices their return would not be as high as your enquirer mentions, which is more important to a bond investor than large interest returns."

John Stark & Company, Toronto—"We have pleasure in sending particulars of the bonds of Clark Bros., Limited, which carry 7% interest as well as a bonus on common stock. We have every confidence in recommending these bonds as offering a good security and presenting an opportunity to the investor of participating in the progress of the company through the bonus of common stock which he would get."

A. E. Ames & Company, Toronto—"We enclose our August list of investments and would especially draw your attention to Province of British Columbia 5% bonds with a yield of 5.35%; City of Winnipeg 5½% bonds, with a yield of 5.35%, and the Bishop Navigation Company 6% bonds, with a yield of 6.25%. We regard all of the foregoing bonds very highly and feel that the purchase of any of these securities would make a very attractive investment.

F. H. Deacon & Company, Toronto.—"You are really taking us a little off our ground, as we would not care to recommend as good and sound any bonds now yielding over 6½ to 7%. The Howard Smith Paper Mills 6% bonds, due 1934, are selling at 95¼ on a 6½% basis, and we regard it as pretty good. The strongest Canadian industrial bonds are now selling on about a 6% to 6¼% basis."

Burnett & Company, Montreal—"There are a number of good sound industrial bonds on the market which yield 6 to 6½%, but not a great number, which we would feel satisfied to recommend, yielding 6½ to 7%. We would suggest Howard Smith Paper Mills 6%, due 1934, at 95¼, to yield 6½%; Rolland Pulp and Paper Mills 6%, to yield 6.75% and Asbestos Corporation 5%, due 1942, at 78¼, to yield 6.90%."

T. Meredith & Company, Montreal.—"We regret we cannot suggest any good bonds yielding 6½ to 7%."

L. G. Beaubien & Co., Montreal.—"We believe that the following bonds, which show a high yield, represent a safe investment: Wabasso Cotton, 6%, selling at 89; Saguenay Pulp and Power, 6½%, selling at par; Wayagamack Pulp and Paper Co., 6%, selling at 88; Montreal Tramways debentures, 5%, selling at 71; Montreal Tramways and Power bonds, 6½%, selling at 101."

THE ONTARIO ISSUE

Will Sell to Return About 6 Per Cent. to U. S. Investors

With the exchange working for the benefit of the American investor it is expected that the $3,000,000 of Ontario five-year 5½ per cents sold this week at 99.67 on a basis of 5.575 per cent. to the seller will be sold to return about 6 per cent. On this basis independent opinion inclines to the idea that the issue hit somewhat of a soft spot, although the tender accepted was substantially above that of the only competitive bid.

The successful tender was submitted by W. A. Mackenzie & Co., on behalf of themselves and a syndicate composed to the Continental and Commercial Trust and Savings Bank, the First Trust and Savings Bank of Illinois, Trust and Savings Bank, and the Merchants' Loan and Trust Company, all of Chicago. The institutions mentioned are perhaps the largest banks in the United States outside of New York City.

The other tender was that submitted by a syndicate composed of the Dominion Securities Company, Wood, Gundy & Co., and A. E. Ames & Co., their tender being 98.11.

Versailles, Vidricaire & Boulais have purchased a $65,000 issue of School Commissioner bonds of Ste. Agathe at 98½. They bear 5½ per cent. interest and are in the form of serials, running from 1 to 35 years.

Liberty bonds valued at $223,000 were stolen from two brokerage firms in the New York financial district. The bonds in each instance had been entrusted to messengers, who have disappeared.

BRITISH WILL NOT UNLOAD THEIR CANADIAN BONDS

Would Lose Now and Besides They Have Implicit Faith

MONEY FOR CANADA

When Restrictions Are Removed Help Will Come to Develop Industry—Sir Charles Hanson's Views

By Resident Representative.

MONTREAL.—Sir Charles Hanson, M.P., and ex-mayor of London, who is visiting his brothers in Montreal, was asked by THE FINANCIAL POST this week what opportunity there was for Canadians buying back from British investors the hundreds of millions of dollars' worth of Canadian bonds, municipal and industrial, that had been taken up over there during the years in which this country had to depend almost entirely upon the British investors to purchase their bonds in order to provide capital for development here. It was pointed out that recently bond houses had endeavored to secure blocks of bonds held in England in order to satisfy the market requirements that had manifested themselves in the main as a result of the campaign for the victory loans. One house was willing to handle $25,000,000 worth a year if these could be located; not in the broken and small lots that would be obtained on the London market, but in large blocks that would warrant a concentrated selling campaign. It was felt in Canada that many of these had been taken up by large corporations such as insurance companies, and without some Government assistance it would be almost impossible to locate and bargain for their transfer.

"I have noticed," Sir Charles replied, "that financial interests on this side are seeking to find out where these Canadian securities lie, and to buy them on terms profitable to investors on this side. They have been successful to a point, but I do not think they will easily secure anything like the whole of the securities thus sought after. These are debentures on which the interest is regularly paid, and there would be no object on the part of the holder to incur a loss in parting with that in which he had implicit faith."

The London financier pointed out that the cases in which securities had been disposed of to the present had been either where the holders felt they must sell in order to support British war loans, or through higher taxes or greater cost of living, were forced to realize on part of their capital. The difficulty in the case of a sale would be that these Canadian securities had been bought at higher figures than they would be sold for now—with war loans giving a yield of 5¼ to 5½ per cent.—and the British investor would feel that it was to his interest to hold these until the value came back. Then, again, these bonds were terminable and they were assured of par at the time of maturity.

Nor was the Government now exerting any pressure towards the liquidation of these outside securities. Sir Charles felt the tendency on the part of the British investor would be rather to enlarge his holdings of Canadian securities as soon as restrictions were removed, and that this country would not by any means be dependent entirely on the United States for outside investment in the development of industries in this country.

"It is impossible even to approximate the period when the restrictions will be raised, but as soon as it is found possible to do so the London market will be open as in former years to Canada."

Sir Charles added with a touch of pride: "I am confident that London is not going to lose its position as the exchange market and financial centre of the world. The strength, enterprise, and ability of the banking world of Great Britain and the unexhausted resources of the country are such as, in my judgment, to enable us to maintain the position we have held for so many centuries."

NO SALES MADE

VANCOUVER.—After negotiating for two weeks, the Vancouver and District Joint Sewerage and Drainage Board decided this week to make no award in its proposed issue of $800,000 sewerage bonds, backed by the guarantee of the Provincial Government. There were four bids, the highest of which was 84. They carry 5½ per cent., and run for forty years. The board may borrow money to carry out sewer construction from the bank, awaiting what it considers a more favorable opportunity to float its big issue, which is its first offering since the close of the war and for about three years previously.

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We Will Buy
$25,000
ONTARIO PULP & PAPER
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Canadian Car & Foundry Company, Limited

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the paid-up Preference Stock of the Company for the quarter ending September 30th, 1919—and an additional one and three-quarters per cent. (1¾%) on account of deferred dividends on said Preference Stock—has been declared payable on the 10th day of October, 1919, to Shareholders of record on September 26th, 1919. The Transfer Books of the Company will remain open.

By Order of the Board.
A. C. BOURNE,
Secretary.
Montreal, August 13th, 1919.

Repatriated British Officer, young, capable and of good address, seeks opening with Financial or Commercial Institution.

Has had ten years' experience in financial and commercial work.

Would consider investment and junior membership.

BOX 6, FINANCIAL POST,
143 University Ave., Toronto.

QUEBEC RAILWAY TO PAY MORTGAGE INTEREST ON TIME

Advantage Will Not be Taken of Three Months' Grace

THE YEAR'S RESULTS

Annual Statement Expected to Show a Big Improvement in Earnings—A Better Outlook

By Resident Representative.

MONTREAL.—One of the elements of encouragement in the market this week was the decision of the directors of the Quebec Railway Light, Heat & Power Company to pay up the interest on the first mortgage issue by the middle of August in place of taking the full three months' "grace" as had been the custom for years back. Indeed, THE FINANCIAL POST was informed that it was only the absence from the city of the president, D. Lorne Webster, and others of the board, that prevented payment being made by the first of August, and several of the board will endeavor to have the next payment met when it becomes due on the first of November next. This action is certain to have a beneficial effect, not only on the bonds themselves but on public sentiment towards the whole of the Quebec issues, as indicating that the company, after a prolonged struggle, is slowly bettering its financial position.

The annual statement for the year ending June 30 last, although not yet ready, will show, it is learned, a big improvement in earnings, due to increased fares on the Quebec railway, increased rates for gas and electricity, a percentage of traffic earnings on the Quebec and Saguenay through the Montmorenci road, power receipts from various sources, etc., in spite of the universal increase in costs of operation. Since the year ended the company's receipts have grown greatly over those of last year through summer tourist business far exceeding that of last year.

A Better Outlook

The completion of the Quebec-Saguenay road by the Government will open up a heavy tourist traffic to Murray Bay, and during July the traffic doubled over last year's. It is understood the Government intends to open up a steamer service along the north shore of the St. Lawrence, east of Murray Bay, and maintain it during the winter, and this, connecting with Quebec City by the Saguenay and Montmorenci roads will add to the Quebec road's earnings.

Kent House, a few miles below Quebec, which was closed during the war, and lately used by the Government for military purposes, is again in the railway's possession, and with moving pictures and other attractions on the property, is bringing in a good revenue.

The stock still holds around 18-19.

Your Vacation is Planned!

History passes

OLD streets are filled with memories, the centuries crowd thick between the walls, and history seems itself a passer-by, in the old quaint sections of Quebec, Montreal and Halifax. About these cities lingers the glow of old-world romance, and a charm which will never be forgotten.

"9 Ideal Vacations"

In the wide lands of Canada, thousands of happy surprises wait the vacationist. Health and strength renew themselves in the invigorating atmosphere of Prince Edward Island, Cape Breton, St. John River Valley and Muskoka. For the hunter of moose, deer or bear, there is abundant sport in Nova Scotia, New Brunswick, Quebec, New Ontario and Eastern Manitoba. Great grizzlies and nimble mountain goats draw the sure shot of the hunter in British Columbia. The fish are biting at Rainy Lakes, Nipigon, Lake of the Woods and other ideal spots.

A Vacation Planned to Meet Your Needs—Choose!

You'll find real camping at the Laurentides, Algonquin Park, New Ontario, Nagogami, and Jasper Park. A wonder panorama unrolls before the traveler through the Canadian Rockies, Matapedia Valley, La Baie de Chaleur, Gaspe, Cape Breton, and along the ocean shore of Nova Scotia. If you have only a few days, spend them joyously at Muskoka, Sparrow Lake or the Maritime Provinces. Or, wishing to combine business with pleasure, visit Western Canada, and such thriving cities as Winnipeg, where you "hear" opportunity grow.

free

Our Art Booklet "9 Ideal Vacations." In it you'll find suggestions that will help you choose YOUR vacation. Call, or write to the address below for your copy. It's free—without obligation.

Every Detail Planned!

The Canadian National Railways have collected facts about Canada that will help you plan any kind of vacation.

Canadian National Railways

Apply to nearest C.N.R. Rlys agent or write General Passenger Dept. Moncton, Quebec, Montreal, Toronto, Winnipeg and Vancouver.

HELD CANADIAN STOCKS

Resident of Cheshire Had Big Block of Spanish River and Others

The estate of Daniel George Buchanan, a cotton broker, who died at Claughton, Cheshire, England, Oct. 21, 1917, was valued at $190,773. Part of it consisted of $7,390 in the Spanish River Pulp and Paper Mills, and the Royal Trust Co. has applied for ancillary administration with the will annexed.

Ten shares of Bell Telephone Co., valued at $1,190, 10 shares Consumers Gas Co., $750; 8 Mackay, $528; war bonds, $1,019, and $325 in the bank constituted the estate of Miss Rebecca Morton, East Gwillimbury, who died in Toronto, July 23.

RIORDON'S FUTURE

Montreal Financier Advances Sixteen "Bull" Points

MONTREAL.—The Herald says that holders of Riordon purchased about 140 who had to let it go on the break to 132 due to the shock given the New York market last week, certainly ran into bad luck if one is to judge not only by the stock's disposition to recover but also by the vital statistics affecting it.

A financier in Montreal who is very closely associated with the Riordon interests and has great faith in its future has prepared in emulation of President Wilson the following sixteen points:

1. Riordon earnings applicable to com. stock in 1916 were 25.8 per cent.
2. Riordon earnings applicable to common stock in 1918 were 21.3 per cent.
3. Riordon earnings applicable to common stock in 1918 were 18.1 per cent.
4. On December 31st, 1918, Riordon Company had surplus profits account of $2,218,000.00.
5. Riordon Company owns more than 1,300 square miles of spruce timber lands.
6. Riordon Company owns undeveloped water powers which could furnish over 35,000 h.p.
7. Riordon Company owns majority capital stock of Ticonderoga Pulp and Paper Company.
8. Riordon Company received 170 per cent. dividend from Ticonderoga Company in 1918.
9. Riordon Company owns all the issued preferred stock of Kipawa Co., Ltd.
10. Riordon Company owns majority of issued common stock of Kipawa Co., Limited.
11. On December 31st, 1918, Ticonderoga Company had surplus profits account of $861,000.00, or more than twice the amount of its entire capital.
12. Ticonderoga Company earnings are better this year than last.
13. Kipawa Company, Limited, will have the best pulp mill in the world without exception.
14. Kipawa Company, Limited, owns very large areas of the best spruce timber lands in North America.
15. Kipawa Company can develop at its own door over 40,000 h.p.
16. Kipawa Company will be operating this year.

Lost Certificate

Certificate No. 647 for one share in the Common stock of Abitibi Power & Paper Co., Ltd., standing in the name of T. U. Fairlie, in trust, has been lost. Finder is requested to return same to the office of the Company in Montreal.

THE OGILVIE FLOUR MILLS COMPANY, LIMITED

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. has been declared on the Preferred Stock of THE OGILVIE FLOUR MILLS COMPANY, LIMITED, payable Tuesday, the second day of September, 1919, to Shareholders of record at the close of business Friday, the twenty-second day of August, 1919.

By Order of the Board.

G. A. MORRIS,
Secretary.

Montreal, Aug. 14th, 1919.

DOMINION TEXTILE'S NEW BOND ISSUE

Arrangements to be Confirmed at Meeting Called for August 26th

By Resident Representative.

MONTREAL. — At the special meeting of the shareholders of the Dominion Textile Company, which will be held on Tuesday, August 26, the amount of the new bond issue that will be made immediately will be announced as $8,875,000, THE FINANCIAL POST understands. Out of this $1,500,000 in bonds will be paid over on Sept. 1 to the Canadian Cottons for the Mount Royal mill, and in addition there will be a payment of $875,000 in cash, which will be made out of the surplus on hand of the Textile Company. The security for these bonds will be, like all those issued, a first mortgage on the property concerned, and the payment of such a large portion of the purchase price in cash will increase the value of the equity of the bondholders. In addition there will be an issue of $7,375,000 bonds, which will be placed in the hands of the Royal Trust Company. These will be held in escrow to meet the three issues of bonds coming due between now and 1925. The "B" series, issued for Merchants' Cotton Company stock, can be called at par and these may be the first to be redeemed. For the present, then, the only increase in the bonded indebtedness of the company will be the issue of $1,500,000 to Canadian Cottons, which, with the cash payment, will take the place of an annual rental of $198,000, which would have been increased if the lease had been renewed instead of the property being taken over. If the holders of the existing bonds consent they will be given the new issue in return for the maturing bonds; if they want the bonds met in cash the new bonds will be issued in sufficient amount to meet the cash demand, the balance going in exchange to the present holders of the old bonds.

ST. LAWRENCE FLOUR MILLS

Operations Suspended Until the New Wheat is Received in the Next

By Resident Representative.

MONTREAL.—Operations for the St. Lawrence Flour Mills are over for this year's crop and the mills will not resume until after the new wheat comes in, which it is expected will be in two or three weeks. The position in this respect is just about the same as one year ago when the wheat supply gave out before the end of the fiscal year of most of the companies, August 31. St. Lawrence Flour Mills, it is expected, will show as good a statement as one year ago, in spite of the shutting down of the mills from time to time, so far as export orders were concerned. The stock at present is reflecting the weak tone of the general market.

CANADIAN CAR ARREARS

Declaration of 1¾ Per Cent. Leaves Balance of 24¾ Per Cent.

By Resident Representative.

MONTREAL.—In spite of reports that Canadian Car & Foundry Co. would arrange shortly to take care of a fairly large percentage of the arrears in dividends on the preferred, the directors decided this week that only 1¾ per cent. could be paid off at present, leaving 24¾ per cent. still owing. Lack of sufficient orders to keep the plants engaged to anything like their full capacity continues to interfere with anything more ambitious in Car's disbursements.

PORTO RICO

The Porto Rico Railways Company reports gross earnings for June of $89,191, as compared with $84,792 for the corresponding period in the previous year, an increase of $4,399 or 5.18 per cent. Net earnings for the month at $33,112 showed a falling-off of $6,816 or 17.04 per cent.

For the six months ending with June the gross totalled $567,969, an increase of $61,222 or 12.07 per cent., while net amounting to $210,121, was lower by $20,008 or 8.69 per cent.

Stock Movements of the Week

eek ending Aug. 14; close Aug. 14.

	Ask	Bid	High	Low	Close	Sales	Yield to Aug. 7
Banks—							
Commerce	202⅛	201	202½	202	202	184	6.44
Dominion	...	205	205	205	...	26	5.94
Hamilton	195	190	192	188	...	66	6.38
Hochelaga	...	...	158	158	...	10	5.69
Imperial	200½	199	200	198	...	15	6.44
Merchants	195	...	195	194	...	60	5.69
Molsons	...	...	193	192½	...	9	6.58
Montreal	...	...	213	213	...	49	5.55
Nova Scotia	...	...	276½	276½	...	19	5.77
Royal	217	...	217	216½	...	50	5.76
Standard	...	215	215½	215½	215½	45	6.50
Toronto	199½	...	...	...	...	...	6.41
Union	...	160	162	161	...	25	6.17
Transportation—							
Barcelona, T. L. & P.	9	8¾	9⅛	9	9	105	....
Brazilian	55⅜	55¼	57¼	55	55¼	2402	....
Can. Steam., com.	52⅝	52½	54	51¼	52⅝	4769	7,69
Do., pref.	84¾	84	84¾	83¼	84¾	1159	8.23
Can. Pac. Rly.	...	...	164	164	...	1	5.71
Detroit United	...	...	102	101½	...	278	7.69
Duluth-Superior	29	28	28	28	28	11	6.45
Quebec Rly.	...	...	19	18	18¼	1155	....
Toronto Rly.	42	41	43	42⅛	42	65	....
Telegraph, Light and Power—							
Bell Telephone	120	118	119	119	119¼	2	6.77
Consumers' Gas	150	...	150¼	150	150¼	96	6.62
Mackay, com.	79	78½	79	79	...	145	7.59
Do., pref.	66	65¼	65½	65¼	66	13	6.06
Montreal L., H. & P.	...	...	91¾	90¼	...	2180	4.25
Shawinigan	...	...	123	121	...	209	5.60
Industrials—							
Abitibi P. & P., com.	...	...	79	79	...	55	8.53
Ames-Holden, com.	...	...	47	45	...	169	....
Do., pref.	...	...	96¾	75	...	1005	7.14
B.C. Fish., com.	63	61½	62	60½	...	380	7.69
F. N. Burt, com.	...	97	97	97	...	131	8.42
Do., pref.	...	97	96	96	...	21	7.36
Canada Bread, com.	21	20	20	20	...	20	....
Do., pref.	...	80	80	...	...	50	8.75
Can. Cement, com.	69	68½	69¼	67½	68¾	972	8.57
Do., pref.	...	...	101¾	101¾	101	46	6.93
Can. Car, com.	38	37	38¼	36½	...	235	....
Do., pref.	...	...	96½	94½	95	861	7.07
Can. Converters	...	...	63	63	...	77	7.57
Can. Cottons, com.	...	...	92	92	...	2	6.59
Do., pref.	...	...	84	84	...	1	7.05
Can. Fdrs. & Forg., c.	...	...	193	193	...	25	6.00
Can. Loco., com.	85¼	84	82½	82	84½	87	7.31
Can. Gen. Elec., com.	110	109	111	110½	...	65	7.20
Car. Factories, com.	...	...	16	16	...	15	....
City Dairy, pref.	...	94	94	94	...	2	7.44
Dom. Bridge	...	...	100	100	...	55	7.61
Dom. Canners, com.	...	...	49	48⅛	48	95	....
Dom. Steel Corp.	66¼	65½	67⅛	64¾	65½	3130	9.09
Dom. Iron & Stl., prf.	...	...	99	99	...	50	7.07
Dom. Coal, pref.	...	...	98	...	...	15	7.14
Dom. Textile, com.	...	...	118⅞	115	...	875	6.66
Do., pref.	...	...	106	105½	...	25	6.66
Lake of Woods, com.	...	...	190	188	...	75	6.31
Laurentide	...	...	216	214	...	416	5.52
Lyall Construct., com.	...	...	80	80	...	50	9.52
A. Macdonald, com.	...	...	32½	31	...	290	....
Maple Leaf Mill., com.	179	177	178	177	178	652	6.81
Do., pref.	106	105	105	105	105	30	6.60
Mont. Cottons, com.	...	...	70	68	...	80	5.71
Do., pref.	...	...	103	102½	...	121	6.79
Mon. Knit., pref.	...	90	90	...	...	2	7.77
N.S. Steel, com.	82	78	75	...	...	5	5.55
Do., pref.	...	...	105	105	...	50	7.61
Ogilvie Flour, com.	...	...	250	250	...	5	4.70
Ont. Steel Prod., com.	...	...	36¼	32	35	1424	....
Pacific Burt, com.	...	31	31	25	31	251	6.80
Penmans, com.	...	...	94½	94½	...	80	6.18
Do., pref.	...	...	95	95	...	10	6.45
Riordon P. & P., com.	...	...	136	132	...	550	7.14
Do., pref.	...	...	98¾	98¾	...	5	7.07
Wm. A. Rogers, com.	...	55	56¾	55	...	28	....
Do., pref.	...	85	85	85	...	35	....
Russell Motor, com.	...	...	79⅞	79⅞	...	20	8.23
Sawyer-Massey, com.	21	...	59	59	...	25	....
Do., pref.	60	57	59	59	...	10	....
Do., pref.	...	...	70	70	...	10	....
Sherwin-Williams, c.	...	...	90	90	...	2	7.00
Span. River Pulp, c.	...	40¼	40½	37¾	40	2717	....
Do., pref.	...	...	105	103	105½	469	....
Steel Co. of Can., com.	67½	67	68	65	67½	1800	8.45
Do., pref.	...	...	98½	98¼	...	59	7.00
St. Law. Flour, com.	...	...	...	...	...	...	5.35
Do., pref.	99	...	92	92	...	5	7.36
Tooke Bros., com.	42	40	40	40	...	110	....
Do., pref.	84	...	80	80	...	10	8.97
Tuckett Tobacco, com.	44	41½	42	...	42	25	....
Do., pref.	...	89	...	...	...	...	7.77
Wabasso Cotton	...	...	100	...	...	5	5.94
Wayagamack, com.	...	...	53½	50	...	750	....

Summer Freedom

The feeling that he should superintend his property personally used to tie many a man to places where he could be constantly in touch with his interests.

Nowadays the Trust Company at the owner's request gives to his property as careful attention as the owner himself could give, leaving him free to attend to his main business or to travel, undisturbed by petty detail.

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Capital Paid-up, $1,500,000 Reserve, $1,500,000
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THAT TRANSITORY STAGE

of your affairs, when on your demise, your business, your securities, your personal effects are passed on to others, is one which requires experienced management in order that there may not be any financial loss to those who are left behind and also that they be not subjected to troublesome details at a time when they are mentally depressed through their bereavement. The required management may be secured by your nominating in your Will as your Executor

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has been secured, and the most complete and up-to-date organization has been installed to transact all business with the maximum efficiency.

STOCKS and BONDS
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Every kind of security will be dealt in, and of particular interest is the Unlisted Department, where orders to purchase and sell will be dealt with only on the basis of a FIXED COMMISSION PER SHARE.

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UNLISTED SECURITIES

STOCKS.	Bid	Ask
Abitibi Power, com.	...	82
Alberta Pac. Grain, com.	135	140
Do., pref.	89	95
Amer. Sales Book, pref.	..	90
Belding-Paul, com.	40	45
Do., pref.	88	98
Black Lake, com.	7½	8½
Do., pref.	25	30
British Amer. Ass. Co.	8	12¾
Brantford Roofing	90	..
Can. Machinery, com.	20	25
Do., pref.	51½	56¾
Can. Westinghouse	115	122½
Canadian Oil, com.	46	50
Do., pref.	98	100
Carter Crume, pref.	65	72
Do., com.	8	..
Cockshutt Plow, pref.	80	88½
Continental Life	19	24
Crown Life	..	12½
Dom. Power & Trans., com	47	51¼
Do., pref.	92	97
Dunlop Tire, pref.	95	97
Eastern Car, pref.	50	..
Goodyear Tire, pref.	95	..
Home Bank	89	94
Illinois Traction, pref.	75	78
Inter. Milling, pref.	90	93
King Edward Hotel, com.	45	55
Loew's, Toronto, com.	130	145
Macdonald, com.	30	32
Massey-Harris	110	120
Wm. Neilson, com.	54	65
Sterling Coal, com.	15	17
Sterling Bank	100	108
Trust & Guarantee	81	86
United Cigar Stores, pref.	1.75	2.25
Western Assurance	11	14
Whalen P. & P. Co., com.	25	30
Volcanic Oil & Gas	80	88
BONDS—		
Arena	..	90
American Sales Book, 6s.	90	94
Algoma Steel Corp., 5s.	70	75
Black Lake	47	50
P. Burns, 1924, 6s	100	105
Do., 1931, 5s	96	99
Can. Machinery, 6s.	79	82
Collingwood Shipbldg., 6s.	85	90
William Davies, 6s	99	101½
Eastern Car, 5s	92	95
Harris Abattoir, 6s	97½	..
Mex. North. Power, 5s.	12	14
Morrow Screw, 5s	88	92
N.S. Steel Deb., 6s	87	93
Ontario Pulp, 6s	101½	..
Porto Rico, 5s	82	85
Sterling Coal, 6s	72½	76
Stone Limited, 6s	94	98
Toronto Power, 5s	90	93
Tor. & York Rad., 5s.	97	99
Toronto Paper Co., 6s.	86	92
West. Can. Pr., 5s	54	59

GRAND TRUNK

The earnings statement of the Grand Trunk Railway Company of Canada for the week ending July 21 showed receipts of £270,576, an increase of £41,508. For the year to date mentioned the income was £6,819,024, an increase of £1,207,135. These, of course, are gross figures and do not reflect the increased costs of working.

THE FINANCIAL POST

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Manager - - - - - - GORDON RUTLEDGE
Editor - - - - - - - J. W. TYSON

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France and other Countries	16s. 6d.

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PUBLISHED BY
THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, Toronto.
MONTREAL, Southam Building, 128 Bleury St., M. Foster; WINNIPEG, 1207 Union Trust Building, C. W. Byers; BOSTON, 734 Old South Bldg., C. L. Morton; NEW YORK, Room 620, 111 Broadway, R. H. Huestis; CHICAGO, Room 1401 Lytton Bldg., 14 E. Jackson St., A. H. Byrne; GREAT BRITAIN—London, The MacLean Co., of Great Britain, Ltd., 88 Fleet St., E.C., E. J. Dodd, Director.

TORONTO, AUGUST 16, 1919

DR. McFALL'S PROFITEERING CHARGES

IN his recent reports having to do with the canners, the tanners, the sugar refiners and the retail merchants, Dr. McFall has either said too much or too little. If the charges can be fully substantiated, legal proceedings should be taken up to prosecute those who are guilty of conniving in restraint of trade to line their own pockets. If, on the other hand, the charges are merely framed with that evident desire of firing public opinion which characterized the reports on the packing and milling industries, then those interests which are being besmirched should have some recourse to the Government.

In any event, we repeat, too much or too little has been said. If there are those who are guilty they should pay the penalty. But the charges have been so general in character that business in general is suffering. The public mind, already inflamed to an alarming degree by the loose use of such expressions as "profiteer," "watered stock," etc., has seized upon these reports—or upon the newspaper interpretation of them—with a reckless avidity which has meant condemnation for practically every branch of trade, commerce and industry. The effect cannot be anything but detrimental to the country's best interests. Nothing could be better to cultivate the public mind for the sowing of that seed of discontent, the harvest of which in the hope of the Bolshevists will be votes for communist or Soviet Government.

The Court of Commerce, if it fulfils its proper duty, should do much to clear the air by discriminating between the just and the unjust charges. In Judge Robson, judical balance should be insured in the chair. W. F. O'Connor has in the past shown a disposition to cater to public opinion, but as vice-chairman, he will be less in the limelight and should be able to satisfy the people as a relentless investigator. To complete the body it is quite evident that if fair conclusions are to be reached there should be a third member with a practical grasp of business affairs—a man who will be able to advise whether trade industrial organizations are in the best interests of the consumer by reducing production costs or whether they are merely to enhance the profits of a few by restricting output and inflating prices.

GOVERNMENT ADVERTISING AND THE C. P. A.

THE president, the general manager and one or two members of the Canadian Press Association were recently in Ottawa conferring with Sir Thomas White. The occasion was that upon which Sir Thomas discussed the coming Dominion Loan with the members of last year's Dominion Organization, and it is understood that his talk with the officials of the C. P. A. bore on the advertising of the forthcoming issue. It is hoped that the method of handling the newspaper and periodical advertising will be different from that of last year.

There is no desire to find fault with the Canadian Press Association, but the FINANCIAL POST feels that the placing of the advertising for the loan should not be left in the hands of the C. P. A. Last year the Association took the $250,000.00 set apart for advertising and appropriated it as it saw fit. In other words the Association, or a committee of the Association, spent the $250,000.00 with itself. On the theory that one who benefits should not have the distribution of public funds it is obvious that the C.P.A. should not act as spacebuyer for the Government.

The Government wants to make every dollar spent in advertising do its fullest possible share of work. This result could, THE POST believes, be best achieved were a committee of advertising buyers given charge of the campaign. Perhaps the Dominion Publicity Committee could undertake the work. The Associated Canadian Advertisers offered, last year, to render any service required. These men are spending vast sums in advertising annually. They understand the various classes of media. They would be entirely disinterested. Of them it could not be said that they were both the buyer and the seller of space.

THE NEW LIBERAL LEADER

ON issues relating to the problems of capital and labor, regulation and taxation of profits, operation of trusts and combines and other phases of business, the course of Hon. W. L. Mackenzie King, the new Liberal Leader, will be watched with great interest—greater even than with regard to the tariff upon which he has in a general way been committed by the convention which nominated him.

For some years Mr. King has made a close study of labor problems—perhaps the most important he has to consider. His book on the relation of the worker and the employee is indicative of broad study and of high thought. But there are those who themselves have had much hand-to-hand experience with labor who say that the author of this work leaves the impression that he has not. It remains to be seen whether he can emerge from the academic atmosphere in which he has lived for some years and successfully apply his theories to this and other actual problems of the day.

In the United States we have seen an academician at the head of the nation's affairs for some years. Opinion still differs as to the measure of his success. In certain international diplomatic affairs, Mr. Wilson has shown brilliancy; in others his judgment has been open to criticism. As to his business administration, the railroad muddle, the telegraph tangle and the fuel bungle have been charged up as indicating an inability to successfully grasp practical problems. He has probably been a better psychologist than executive. Mr. King may never have the opportunity for governing which has been Mr. Wilson's, but there are enough similar characteristics about the careers of the two men to make the measure of the accomplishments of the one a yard stick by which those of the other may some day be judged.

DANGEROUS JUGGLING WITH FIGURES

JUGGLING is a wholesome form of entertainment so long as no one is deceived by it. The stage performer in legerdemain thrills his audience by that quickness of the hand which deceives the eye, but few nowadays believe in the illusions created, no matter how convincing they may appear. His performance may be likened to that of the cost of living juggler, who with the aid of figures, presents results which are absolutely astonishing, and at first glance most convincing. There is a dangerous difference in that, while the people have learned the deception in the one case they are inclined—and usually willing—to accept as real the fantastic effects in the other.

In the latter class, let us introduce "Omega," who in a letter to the Toronto *Globe* shows that no packer buys cattle at $13.50 per cwt., the hides cost just that much per cwt. Two cents for shrinkage makes $15.50. The hides therefore cost the packer $15.50 and sell for $50 to $60 per cwt.—perfectly simple.

"Omega" could on the same basis prove that porterhouse steak should sell at 15½ cents a pound. Why not? And of course the whole internal portions of the animal, known as offal, and the hoofs and the horns and the tallow should bring the same figure. And then too, there should of course be nothing to pay for the killing, and the storing and the marketing of the various products any more than there should be a return on the capital involved. Just cattle sold by the farmer and porterhouse steaks and leather—or even boots—for the consumer; as simple as that.

For the benefit of "Omega" let us present another mathematical juggler. There is only one hide on one animal, he says. To get a cow's hide, then a shoemaker buys a cow. The cost is $13.50 per cwt. for, say, 1,000 pounds. The hide therefore costs $135.50—and the leather and boots would be valued proportionately.

Of course it is ridiculous to juggle with the price of a cow to make it appear as the value of the hide, but hardly more ridiculous than to argue that the latter should be no more than the value of any other portion of the animal. Figures are not supposed to lie, but in the hands of those who seem desirous of misleading the public, they can be made to perform so as to leave very dangerous impressions with those who do not take the trouble to prove the result for themselves.

EDITORIAL NOTES

SIR GEORGE FOSTER is surprised that there should be any criticism of the wheat board's program. But no one is surprised that Sir George is surprised.

* * *

FROM all we have heard we understand that the Prince of Wales is quite a human sort of a person but it is quite evident that those who are planning the civic "entertainment" while he is in Canada have an entirely different opinion.

* * *

THERE has been a net gain of about eight hundred in the number of bank branches in Canada since the ending of the war. This would seem to be a pretty effective answer to the complaint that amalgamations are having the effect of eliminating competition or reducing service to the public.

* * *

THE Toronto Sunday *World* declared that in THE POST'S article of last week on the Guelph radial situation was revealed an effort to ruin the Hydro-Electric schemes of Sir Adam Beck. If the editor of the *World* were planning a picnic he would, if he applied the same logic, blame the weather man if it rained.

* * *

AUSTRALIA proposes to raise the tariff on manufactures in order to raise the revenue to meet the national debt obligations at a time when there is a strong agitation in Canada for action in the opposite direction. The debt problem is like Banquo's ghost—it will not down, even at a free trade love feast.

* * *

IN ENGLAND Lord Chief Justice Darling has scathingly censured certain income tax commissioners because of over--zealous tactics in the discharge of their duties. There is no provision for penalizing these officials. Why not banish them to the colonies? Canada could use some of them to good effect to judge from the manner in which income tax returns have been made in this country.

* * *

"NO ONE can properly question the principle which prompted Mr. Henders to take the stand which he took," says *Canadian Finance*, Winnipeg. "Let every member of Parliament, whether he be a grain grower, a labor man, a returned soldier, a Liberal or a Conservative, be able to conscientiously say, 'My acts are governed, as they are bound to be, by national considerations,' and all will be well with Canada." This, we believe, is the true Western attitude regarding the political course of the ex-president of the Manitoba Grain Growers; it endorses the view of THE FINANCIAL POST expressed last week.

IS NEW YORK TO BECOME FINANCIAL CENTRE OF WORLD?

Vanderlip Discusses Relations and Facilities of New York and London—Europe's Need is America's Opportunity

The World's Financial Centre

Is New York to become the financial centre of the world. That is a question which first arose in the minds of boasting ignorance, but to-day it has become a question that is entitled to be asked in seriousness, examined with care, and answered in the light of new conditions. There are three important reasons why it is difficult to remove the financial centre of the world from London to New York. First, there are the worn channels of two centuries of international commerce, channels worn so smooth that it became easier for Chile to pay a bill in Peru by means of a draft on London than to pay direct. London is the established clearing house of the world, and by fair treatment and, in the main, by holding tightly to sound principles of banking, has maintained the right to hold what she long ago established as her own.

A Fundamental Requisite

There is a fundamental requisite, however, if a city is to be the financial clearing house of the world. That requisite is that there should be no uncertainties surrounding the meaning and value of a deposit balance in a bank at the clearing centre. It has always been England's proud boast that sterling meant gold, that a deposit in an English bank could under any conditions, at the will of the depositor, be converted into gold and sent by him where he would. It seems to me that this is an essential that must be possessed by the international clearing house of the world, unless we are to substitute for the gold standard some other method of ultimate payment of international balances. There are many adroit brains working on that problem to-day, and some extremely interesting plans have been formulated by various European bankers looking toward the creation of an international currency or an international obligation by the means of which international current obligations could be settled in a world clearing house without the necessity of ultimate redemption in gold. If that can be done, then England perhaps can retain her financial supremacy. If it cannot be done, the ultimate permanence in her position will need further analysis.

Any plan looking toward the payment of international balances in any other medium than gold must have the assent of the United States, for the United States is now the great creditor nation, and under the working of any such plan would become the holder of a vast creation of the proposed international currency or clearing house credit obligation. Without the co-operation of the United States it would be idle to plan any such scheme. And it needs no deep knowledge of finance to see that every plan looking toward the accomplishment of this purpose could, when clearly analyzed, be at once translated into language that our laymen could understand. The language would be that to the United States was assigned the position of "holding the bag."

London's Other Advantages

The second point of advantage which London has over New York is her geographical position. Physically close to all the European countries, and capable of being reached from most of them direct without passing through others, she has enjoyed a unique advantage compared with any continental point. Distances in geography are not all to be measured on a map either, but rather one must take into account established lines of communication. England has been the mistress of the seas, and no point in the world has had such international mail facilities as London a central geographical position out of all proportion to her advantageous position on the map. Compared with New York under the present conditions of transport and with the present routes of mail delivery, London has a vast advantage. The greater part of the mail from the whole continent of Europe on its way to New York passes through England, as is the case with most of the mail from the Levant and some from points further east.

In the world changes that have come about I am not sure, however, but that we are even going to change geography. The day I am writing this there is expected to take place the first tranatlantic flight of an aeroplane. If that marvel can be accomplished at all, and there seems little reason to doubt that some time it will be, is it altogether improbable that it may in time be accomplished with such ease and with such speed that the globe will shrink on the Atlantic side until a letter from New York can be delivered on the Continent almost as quickly as a letter from London has been delivered? The English are tional pride in forwarding a trans- showing great courage, skill and na- Atlantic flight. I am not sure that in doing so they are not hastening the day when one of the great advantages of financial London will disappear, because progress in mechanics will in effect alter geography.

The first two advantages that London has over New York, the advantage of long worn tradition and of geographical location, are great, but she has another advantage that far outdistances either of those, an advantage as difficult to overcome as are the advantages of time and space that are involved in the first two considerations. This last is a human advantage, an advantage of possessing skilled men, men who have grown up through generations engaged in international finance, men whose minds are trained by practice and tradition, who have had the advantage of international association, who have acquired international understanding, and who above all have that staunch English character that commands respect of dollars, francs, pesetas, lire or kroner. Have we the men to form at least the nucleus of the organization we must form if New York is to take the financial palm from London, are are we capable of quickly training the large number of international bankers who must be developed to handle the intricate business of international finance if we are to become in our turn the clearing house of the world?

It is fair to say that London bankers doubt our ability to create the technical organization that will be necessary if we are to try to assume the responsibility of world financial leadership. They recognize frankly their present disabilities, but they think the safety of their position lies largely in our inability to create a competent technical group of international bankers, and back of that to educate our investing public to a realization of the opportunities and responsibilities that go with international financial leadership.

America's Inevitable Roll

If the situation were one in which there was really left much room for chance or choice there would be, I think, a great deal of force in the English view of our disabilities. In my opinion, however, America's role in the financial world in the future is practically an inevitable one. The measure of success with which we play it will be gauged by the ability that we bring to the task, but we will have to show extraordinary inaptitude in handling the opportunities and responsibilities of the situation if we block what is almost an inevitable progress toward international financial leadership. America has a third of the monetary gold stock in the world and has it concentrated for effective use by means of what is on the whole the most scientifically organized banking system in the world. Our Federal Reserve system is measurably better in its structure than is the present English banking system. English bankers freely admit that. Some of the leading bankers are looking to the Federal Reserve system as a model to use in the inevitable reshaping of the structure of the Bank of England and the general banking system in Great Britain.

A bank balance in America certainly should be the equivalent of gold under practically any circumstances likely to arise, and in any event a bank balance there can be more certainly turned into gold than can a bank balance in any other financial centre. That alone should make New York the depository of a great part of the international bank balances coming from every quarter of the world. Those balances will be placed in America because of the readiness with which they can be converted either into bank balances elsewhere or into gold that may be shipped to augment bank balances elsewhere.

There is another impressive reason why fate seems to have marked New York for a position of international financial leadership. As a nation we are already a foreign creditor to such an amount that annual interest payments now run between $500,000,000 and $600,000,000. Added to that, we are the greatest producers of food and raw material and minerals in the world, and for years to come our commodity trade balance seems likely to run several hundred millions a year in our favor. In what is this huge credit to be paid? It must inevitably be paid in foreign securities. We may admit that our investors are not educated to foreign investments, but even though that is true, the investors are educated to an understanding and appreciation of foreign investments. Whether we wish to or not we must accept something like a billion dollars a year of foreign securities and they must be placed with our investors. There is no other way to settle the favorable trade balance which the next few years will inevitably create.

If then we are the one financial centre where a bank deposit is equivalent to gold and we are the principal country from which foreign credits must be sought, and where from the very nature of the situation they must be granted, then, it seems to me, we have the elements necessary to financial leadership. We must develop the ability and understanding which will permit us to cope with the problems of international finance. These considerations lead me for the first time to reach the conclusion that the answer to the often put question of whether or not New York is to become the financial centre of the world is "Yes."

CHAPTER XV

America's Opportunity

Something of what the Great War has meant to Europe is what I have been trying to describe in the preceding chapters. We all look at even great events in the light of our own personalities, and what America is most keenly interested in undoubtedly is what the Great War has meant to America. Many books will be written on that subject alone and to attempt such an analysis in a single chapter, and to attempt it before the currents set in motion by the war have had time to unite in any great resultant force that is clearly discernible, is both difficult and dangerous. Such a vision as any one can have of what the Great War has meant to America must at best, at the present time, be imperfect and, indeed, little more than a suggestion as to possibilities.

There are some points in respect to America's relative position in the world that can be defined with a fair degree of assurance, however. The advantages of America's unique position, combining the resources of the

Continued on page 15.

PERSONALS

W. A. HIGINBOTHAM, Superintendent of Foreign Agencies for the Sun Life Assurance Company of Canada, who only four months ago returned from a two-and-a-half years' tour of the world, sails from New York on August 16 for Great Britain. Mr. Higinbotham will sail on the Orduna and will remain abroad for at least three months on company's business. While in England Mr. Higinbotham will meet E. A. Macnutt, treasurer of the company, who is already in England.

SIR CHARLES HANSON, Bart., M.P., ex-mayor of London, is visiting in Montreal this week, the scene of the beginning of the financial career—now continued by his two brothers (Hanson Bros.)—that was to bring him municipal and political preferment in the great metropolis. It is six years since Sir Charles last visited Canada, and he will remain until the end of September.

Speaking of the drop in sterling exchange Sir Charles stated in an interview that he believed it would decline still further until production increased and the export trade revived very considerably. He is confident that London will retain her old position as the world's financial centre.

Sir Charles says there is a strong feeling in England in favor of "some form of Imperial Council" whereby the Dominions will be able to take some part in matters affecting the Empire as a whole.

SIR ALFRED SMITHERS, one of the new knights, was in Canada negotiating with the Dominion Government as Chairman of the Board of the Grand Trunk Railway system when the honor was announced. He is now 68 years of age and has spent his whole life in financial affairs, with the Grand Trunk Railway calling latterly for a great portion of his attention. He had been a member of the London Stock Exchange since 1873, but retired in 1909 to give his whole attention to railway affairs. His official connection with the Grand Trunk dates back to 1895, when he was elected a director and a few years later made his first journey over the lines, then confined to Eastern Canada. Since then he has seen it stretch across the continent, under the name of the Grand Trunk Pacific to Prince Rupert. From 1906 to 1909 Sir Alfred Smithers was vice-chairman, and in the latter year became chairman in succession to Sir Charles Rivers-Wilson, who was retiring from the presidency, when the late Charles M. Hays was appointed. In addition to his G.T.R. connections Sir Alfred is a director of the South-Eastern and Chatham Railway, and chairman of the English Association of American Share and Bond Holders.

REGINALD E. HORE, mining geologist, who has since June, 1913, been the editor-in-chief of the Canadian Mining Journal, is retiring from active direction of the journal to take up professional consulting practice. Mr. Hore is particularly interested in metalliferous ore deposits and his work will be to assist operators in determining the nature of ore deposits as development progresses. Mr. Hore is an expert petrographer, as well as a geologist, and when he joined the staff of the Journal he was instructor in petrography and geologist at the Michigan College of Mines, as well as geologist in charge of work for the Michigan Geological Survey in the copper mining district of Michigan. Previously Mr. Hore had been instructor in petrography at the University of Michigan, Ann Arbor; at Queen's University, Kingston, and at the University of Toronto, Toronto.

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CARNEGIE—A GIVER RATHER THAN A MAKER OF MONEY

An Intimate Character Study of the Great Steel King Who Gave Away Three Hundred and Fifty Millions

IN the death of Andrew Carnegie, there has passed perhaps the most picturesque and romantic figure which American big business has ever created. One of the greatest of the American wonder men of wealth he will not be remembered as a maker of money so much as a giver of it, according to B. C. Forbes. It is estimated that his benefactions have totalled $350,000,000, and a comparatively short time ago it was estimated that he had less than $30,000,000 left. He believed that it was a disgrace for a man to die rich and lived up to that belief as few men have done—for, relatively speaking, he died poor. Following is Mr. Forbes' vivid picture of the character of the steel king than whom none have held a larger place in America's public eye:

Modern history contains only one character comparable to Carnegie—John D. Rockefeller. Carnegie created "a new era," the era of stupendous philanthropy—no, not exactly a new era, for he had his prototype in the palmy days of Greece and of Rome, when rulers and wealthy nobles distributed largess with equally lavish hand.

No American has been more extolled—and few more execrated. He has been invested with all the virtues of a saint—and condemned as a bloodstained tyrant and slave-driver. To him some have ascribed wisdom, foresight, and ability not less than superhuman; others have portrayed him as a popinjay, the incarnation of smug self-satisfaction, the fortunate creature of circumstances, whose only claim to distinction he himself set down in the epitaph he composed for his tombstone: "Here lies one who knew how to get around him men who were cleverer than himself."

He has been called both a capitalistic socialist and a czar who refused to countenance any man, even the brainiest, as his equal in the realm of business.

Because he has no fixed religious belief, the epithet "atheist" has been hurled at him all through his career, yet he has given donations for 7,000 church organs—"Listening to music, particularly that of the organ, is a form of religious expression to him," declares an intimate.

He has been accused of having quarrelled with and hoodwinked more of his associates than any other man in industrial history. "No man ever made so many men millionaires or shared his profits so lavishly" is the verdict of such men as Schwab and Corey who shared freely of his bounties and bonuses.

"The modern Patron Saint of Scotland" he has been called—yet the people of his native town, carried away by their indignation at his peace views in the early days of the war, splattered his statue with mud and filth.

In face of all this, what is the truth? Is he an enigma? Are there two Carnegies, saint and devil, Jekyll and Hyde?

Before I undertook a close study of Carnegie's life I had imbibed several unfavorable ideas from my elders in Carnegie's native country. They disliked his ostentatious "cantrips." Some resented the name "CARNEGIE" being plastered over buildings he helped to erect—and then left the struggling taxpayers to support. Stories of his arrogance, his impatience of contradiction by even the greatest experts and specialists in any line, his overwhelming self-satisfaction, his atheistic preachments, his never-ceasing slurs upon the royal family—such stories were rife in Highland glens and hamlets and cities.

Balance on Right Side

I want to say, however, that fuller knowledge has modified my preconceived views and removed many misconceptions. I am no hero-worshipper; but in my judgment Carnegie's admirable qualities far outweigh his foibles, many of which were inspired in the early days, not by vanity, but by business motives.

When as a young man he invited the Prince of Wales to ride on a Pennsylvania Railroad engine he had an eye solely to future business favors—and he got them. When he moved in prominent social places in New York, still higher political and diplomatic circles in Washington, and hobnobbed with European royalties, it was with no thought of shining in the society columns of newspapers; it was more for the sake of the "profit" columns in his ledgers.

Later, people of eminence and intellect sought the company of Carnegie less for the sake of his purse than for his personality. He travelled everywhere and saw everything with intelligent eyes. His scanty schooling was supplemented by subsequent study, guided and coached by a tutor. He became a man of genuine education and of wonderful knowledge. The volumes that appeared under his name were not written, as many supposed, by others. He could recite half of Shakespeare and all of Burns and was deeply read in many subjects.

Before his wealth became notable his close British friends included such intelectual giants as Gladstone, Rosebery, Morley, Herbert Spencer, Mathew Arnold and James Bryce.

In such company Carnegie could hold his own. He was a fine story-teller; he was cheerful; he had unbounded faith in the future; he loved life and he loved the world and its inhabitants. He was not immersed completely in steel; the truth is, no steel man ever knew less about steel than Carnegie did—but no man ever knew how to capture bigger orders, how to secure better results from his workmen, or how to pick from the ranks such able partners. After his youthful struggles he, like John D. Rockefeller, took life easier than any of his associates—and has outlived the majority of them.

Carnegie admittedly drove his partners, his superintendents and other aspiring hopefuls like slaves, both for their own financial advantage and his. But he treated the workmen "white" and was warmly regarded by them.

It is not difficult to analyze the causes of Carnegie's quarrels with other giants in the industry. His falling-out with Frick, for example, was inevitable in the nature of the men and the evolving economic conditions.

Carnegie ridiculed kings and monarchs, yet he set up a business monarchy and crowned himself king. His word was as autocratic as that of the ex-Czar of Russia or the Sultan of Turkey. His favorites become courtiers, but none must attempt to seek or force a place on the throne. Able men whom he raised from the ranks and made wealthy by his system of bonuses and profit-sharing, worshipped their maker. His arrogance, his slave-driving, his masterfulness they accepted as a matter of course. Since Carnegie paid the fiddler, it was fitting he should have complete right to call the tune. And they were content to dance to the Carnegie music.

These methods worked all right with subordinates, but equals would not stand his highhandedness.

Fell Out With Frick

Henry C. Frick was already a man of wealth and power when he joined Carnegie. He foresaw the coming evolution in the conduct of big business. He realized the interdependence of industrial, railroad and financial interests. He saw that the day of independent monarchs was passed; he believed in a more democratic form of business administration. Instead of a czar, there must be control by statesmen, by directors. Frick was at home among his equals in brains and power; Carnegie would admit of no equals and would share his sceptre with no one. Frick adapted himself to the new economic order; Carnegie was of the old school — where Carnegie sat that must be the head of the table.

It is not true, however, that Carnegie hoodwinked partner after partner into parting with his stock to him at cruelly low figures. The explanation in most cases was that, when storms of depression broke, his associates lost faith in steel, whereas Andrew Carnegie, from the first time he saw a Bessemer furnace in operation (in England), never once lost confidence in the metal. He could always peer beyond the darkest clouds and see in steel something of infinite importance to the progress of the world. Never for a moment did he doubt that molten streams of iron could be transformed into streams of gold.

It is no exaggeration to say that no employer ever shared his profits so generously with his co-workers as did Carnegie. But power he would not share.

Consideration for Labor

If I were to attempt to describe Andrew Carnegie in one comprehensive sentence I would say that, as a boy and youth, he worked prodigiously and displayed extraordinary alertness in seizing opportunities; that he glorified his parents and treated his mother with the most beautiful reverence; that through intense study and very extensive travel he became a man of no mean culture; that he early manifested extraordinary skill in financing and pulled off more clever deals than any man of his day; that he treated his workmen with consideration and inspired talent by his generous, adroit system of sharing profits with those who contributed to the attainment of successful results; that in temperament he was strong-willed to the point of arrogance, and distinctly vainglorious, though, at the same time, he had simple habits and democratic ways; finally, that, by his example of prodigal giving, mostly for worthy purposes, he has done much to take the curse from inordinate riches and to force other millionaires to spend large parts of their fortunes for the benefit of humanity, thus, by his own deeds and by his example, furthering incalculably the brotherhood of man.

The Carnegie Steel Company was reorganized with Carnegie in undisputed control. How he surrounded himself with such brilliant practical steel men as Captain "Bill" Jones, Schwab, Corey, Dinkey, and Morrison, and paid them enormous bonuses for results achieved; how he threatened competitors by announcing that he would build new plants and even build a new railroad to bring the Pennsylvania to its senses; how he frightened the country's leading money kings, and how he finished up by selling out to the organizers of the steel trust, are too well known to call for recapitulation.

His benefactions have included $60,000,000 for over 2,500 library buildings; $125,000,000 for the Carnegie Corporation of New York; $17,000,000 for colleges; $6,000,000 for church organs; $22,000,000 for the Carnegie Institution of Washington; $16,000,000 for the Carnegie Foundation for the Advancement of Teaching; $13,000,000 for the Carnegie Institute at Pittsburgh; $10,000,000 for the Carnegie Institute of Technology; over $10,000,000 for the Carnegie hero funds; $10,000,000 for the endowment of international peace; $4,000,000 for steel workers' pensions; $2,000,000 for the Church Peace Union, and $1,500,000 for the Hague peace palace.

It is as a giver, not as a maker, of millions that Carnegie will live in history.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

ROBERTSON ASBESTOS

P. LaB., Montreal—I am anxious to secure information concerning the stock of the Robertson Asbestos Mining Co.

We are informed that the stock of the Robertson Asbestos Mining Company has no market value.

MARITIME NAIL

M. T. S., New Aberdeen, N.S.—Please advise me re Maritime Nail Co., St. John, N.B. I hold stock and have been advised to sell at once. Dividends have been paid lately and I have been rather puzzled as to the broker advising me to sell out. Your advice I shall await before deciding.

So far as our information goes we see no reason for you disposing of your stock. The company is a close corporation and not listed, but it is doing a successful business, and our information is that the prospects are all in favor of this condition continuing. We fared well during the war and its present business is reported to be quite satisfactory.

CROWN REEF MINES

H.B.M., Montreal.—"Would you please give me information regarding Crown Reef Mines, Limited, incorporated 1911, under Ontario Companies Act. Certificate I hold is signed by Geo. A. Mooney as president, and R. Wilson, Jr., as secretary?"

We regret that we are unable to give you any information about this proposition. The mining inspectors' office at the Parliament Buildings here state that they have no knowledge of the property, and that, if it was worked at all, it must have been several years ago. At any rate no such mine exists to-day, nor has it been operated within recent years. We would infer that the proposition is one of the dead ones.

The company is not listed either in the Canadian Mining Manual of 1914 or of 1916. This gives all the active companies.

UNITED PORCUPINE GOLD

Cobalt.—"At what address can the stock of the United Gold Mines be registered? Stock certificates are dated at Toronto, but no definite address appears on same."

We are informed that information about this company would be obtainable from Mr. F. A. Day, of Day & Gordon, barristers, Haileybury. The Trusts & Guarantee Company, Toronto, have acted as transfer agents, but state that they have not handled any of the stock for some time back. They express a willingness to serve any shareholders who may write to them.

CANADIAN CAR

Truro—Are there any arrears of dividends on Canadian Car preferred? Is the common stock a good buy around 42 for a fairly long pull? What are the dividend prospects?

The present arrears on the preferred stock of the Canadian Car & Foundry Company amount to 26¼%. These arrears will, of course, have to be wiped out before there is any distribution on the common stock. No definite announcement has been made as to when an effort will be made to reduce this preferred stock obligation but it is thought that something may be done in the early future. However, it is not possible at the present moment to make a definite statement in this connection.

A FLIER IN EXCHANGE

Saskatchewan—Would it be advisable to borrow $5,000 or $10,000 from United States now while the exchange is 5½ per cent. and put the money in the banks here or get three per cent. or even better on first-class securities, such as Government bonds at 5 per cent., which would net 10 per cent. on the money.

What you are proposing is really a little flier in exchange, and in view of the fact that, as we understand your proposition, you would not have to set any definite date for paying off the obligation, we think everything would be in your favor to make something on the deal. Exchange is now very high against Canada, but there is no assurance that it will not go even higher, or that it will return to normal in the very near future. However, if you are in a position to borrow the money at the present high basis of exchange and hold it until such time as there was an improvement—no definite date being set for the return of the money—everything should be in your favor. As to the matter of investing the funds when once brought to Canada, we do not think you could do better under the circumstances than buy Government bonds returning 5 per cent. or better, as such an investment would leave you in a position to realize promptly, so as to take advantage of any improvement in the exchange situation which might take place.

You are probably optimistic in thinking that you could make 10 per cent. on your money, as this would seem to be the outside possibility, but under the conditions we have outlined and under the circumstances as we understand them, you should be able to make something on the deal.

A GREENHOUSE PROJECT

Alberta—I am forty-five years of age, with wife and family, and am working on a salary of $160 per month. In addition to my home, which is paid for, I have about $3,000 cash, which is now drawing 4 per cent. interest. There is a good demand here at all time for greenhouse products. I know nothing about greenhouse management myself, but was thinking about going in with an experienced man, he also to put up some money and attend the greenhouse. In the event of this man putting up a share of the capital, what portion of the profits would be fair for him to receive? If you do not consider this a safe thing, please advise what you think would be a good investment for my funds.

We believe that it would be beyond our Province to give advice regarding the proposition you outline without a better knowledge of local conditions. The business of conducting a greenhouse is a good one if the owner has thorough working knowledge of the undertaking. It would be advisable to investigate other greenhouses in the district to find out about winter frosts and other local conditions. There is big money in raising hot-house stuff if a market is assured nearby. These and other points could only be decided by enquiries on the ground.

As to a partnership. Perhaps you could go halves on profits each receiving interest on the money invested; or a more satisfactory way probably, would be for you to spend a year or season working in a greenhouse and then open up one of your own without having to depend on a partner. A great deal, however, would depend upon the partner. Our advice then, would be to endeavor to gain the best possible information about the proposition in relation to local conditions.

If you decide against such an investment, our advice would be to consider the forthcoming Government loan in preference to leaving your money at the bank. It will pay 5½% as compared with the 4% you are now getting. Again, there are Provincial and Municipal bonds which can be trusted to return over a higher rate of interest while at the same time providing security which we would consider quite equal to that which you now have.

FITTING SQUARE MEN IN SQUARE HOLES

Scientific employment tests may strike the average reader as bordering close upon the order of a "bugaboo," but the fact that none of the 46 men at Camp Upton, N.Y., where the first National Business Ability Tests were tried out thought so, but crowded around Mr. Sherwin Cody, international authority on practical employment tests, begging him to return the next day to give them an opportunity to try again, is proof that they are not only shorn of all unpleasantness but have a fascination unique in matters educational. The tests lasted for more than two hours, and about an hour was required to review the papers. Very few errors, indeed, were found. If you tell almost any person one simple thing to do in a clear and direct style, you can almost absolutely depend on having it done correctly if the spirit of willingness is present—and in this case there was a spirit of keen interest and desire to make no mistake. When the men take these records and go out to see employers they will know better what they can do and what they can't do, and they will make accordingly a more intelligent impression on the employer. In the test records they will have documentary evidence to back up their faith, and so they will certainly be able to be more convincing in selling their own service.—Forbes Magazine.

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DEPOSITS, &c. - - 267,966,438
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THE BANK OF NOVA SCOTIA
INCORPORATED 1832
Capital, - - - - $ 9,700,000
Reserve Fund - - - 18,000,000
Total Assets, over - - 220,000,000
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THE GREAT CITY DAILY.

BANK OF SOUTH AFRICA

The National Bank of South Africa, Limited, has opened 122 new offices in South Africa. R. E. Saunders, New York agent, has been advised that the bank established on August 1 thirty-five branches at various points in the Cape Province, thirteen in the Transvaal, seven in Natal, five in Orange Free State, one in Swaziland, and sixty-one sub-branches relative to the above offices. This gives the bank over four hundred branches in Africa.

MONEY BANKING AND EXCHANGE

INCREASES IN BANK CLEARINGS OVER CANADA

Lethbridge Only City to Show a Falling Off

BIG IMPROVEMENT

Nearly 30 Per Cent. Advance Shown in the Totals for All Canada—East is Better Than West

Substantial increases were shown in the bank clearings of both Eastern and Western Canada for the week ending Thursday, the grand total for the Dominion being $308,100,487, an increase of $69,943,042, or 29.3 per cent. The only city to show a decrease was Lethbridge, where the figures were $653,938, or $119,063 below the returns for the corresponding period last year. Ottawa stood out with a gain of 95.9, while Kitchener and Windsor advanced 84.7 and 83.1 per cent. respectively. In the case of Montreal the gain was 30.8 and Toronto's increase was 29.4 per cent.

WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities

	Aug. 14, 1919	Change	%
Montreal	$ 115,864,215+	$ 27,305,755	30.8
Toronto	79,218,814+	18,004,095	29.4
Ottawa	10,217,931+	5,002,275	95.9
Hamilton	5,171,825+	460,872	9.7
London	3,076,911+	1,016,116	49.3
St. John	2,687,541+	342,517	14.6
Halifax	5,582,330+	1,652,234	42.0
Quebec	5,633,402+	1,117,518	24.7
Windsor	2,017,124+	915,496	83.1
Brantford	838,104+	11,071	1.3
Sherbrooke ...	1,074,990+	315,584	41.5
Peterboro	691,837+	140,490	25.4
Kitchener	965,144+	442,622	84.7
Total, East. ..	$ 223,030,175+	$ 56,726,645	32.1

Western Cities

	Aug. 14, 1919	Change	%
Winnipeg	$ 39,715,316+	$ 9,994,614	33.6
Vancouver ...	12,483,287+	372,998	30.8
Calgary	5,935,901+	97,000	1.6
Edmonton	4,050,836+	686,072	20.3
Regina	3,799,028+	766,572	25.2
Victoria	2,804,153+	621,112	22.8
Saskatoon	2,093,427+	433,306	26.1
Moose Jaw ...	1,372,878+	151,723	12.4
Fort William	730,378+	122,991	20.2
Lethbridge ...	653,938—	119,062	15.4
New Westminster	641,656+	85,786	15.4
Medicine Hat	436,626+	11,756	2.7
Prince Albert.	332,889+	91,519	37.9
Total, West. N$	75,070,312+	$ 13,216,397	21.3
Grand total ..$	308,100,487+	$ 69,943,042	29.3

HOW THE RATE OF EXCHANGE OPERATES

A Question of Supply and Demand for Money Regulated by Trade

With the exchange rate between Canada and the United States operating against the currency of this country to the extent of five per cent., roughly speaking, the question is attracting the attention of many business men and others who under normal conditions would not be greatly concerned. A reader of the FINANCIAL POST has written asking regarding the factors which operate to the fixing of the exchange basis and asking what can be done to regulate them. For the benefit of others who may be interested in the matter, our reply is reproduced:

Exchange rates between countries are regulated by the law of supply and demand. One country pays another country for goods imported either by goods exported or in money. Thus as Canada is purchasing more goods in the United States than the United States is purchasing in Canada there is a balance which we must settle. Canadian importers, therefore, must make settlement by purchasing in the United States funds which Canadian exporters receive for their product. When there is a shortage of these funds the price rises and the value of Canadian money correspondingly declines. Canadian funds in the United States are offered daily in the open market and the fluctuations in the rate of exchange are the result of the bidding of those who have settlements to make.

There would then be no way to alter the rate of exchange by Government regulation except in so far as the Government might rule on international finance. At one time, for instance, there was the ruling in the United States against the sale of Canadian securities in the American market. The only natural way to solve the problem is for Canada to sell more goods in the United States, buy less there, export gold or float loans in the American money market.

The exchange question is a very complex one and it is difficult to give a brief explanation which will cover it. It must not be overlooked, however, that while the Canadian importer is suffering because of the decreased value of the Canadian dollar, the Canadian exporter is benefitted by it to the same extent. This is worked out actually because the Canadian exporter is paid in the United States and can there dispose of his funds at premium to the Canadian importer who has settlements to make. The economic effect is to discourage Canadian buying in the States and encourage exporting. At the present time the United States is suffering from a depressed export demand on account of the general exchange situation and large international loans are being encouraged so as to enable foreign countries to finance purchases of American goods. This illustrates the point that it is possible for a nation to have too much of the world's money for its own industrial good unless it is prepared to sell its products on a credit basis.

NEW YORK FUNDS ARE NOW EASIER

Bid at the Close on Thursday Was Only 4 5-16, With No Transactions

The reaction that developed in the market for New York funds at the close of last week has been well maintained during the seven-day period just completed, and in fact even lower quotations have been reached. The market at the close on Thursday, August 14, was very weak, with no transactions taking place. The bid at the close was only 4 5-16. Funds were offered at the opening at 4⅜. Conditions at Montreal were much the same throughout the week as in Toronto. In view of the high rate reached on August 1, when New York funds sold at 5 1-32, the present rate is in marked contrast, the decline being 23-32. The course of exchange during the week was as follows:

Aug. 8.—Funds opened at 4 23-32 to the buyer, and closed slight weaker, at 4 11-16 to the seller.

Aug. 9.—Funds opened at 4 23-32 to the seller and later in the day reacted to 4 11-16 to the buyer.

Aug. 11.—Funds were steady at the opening at 4 23-32 to the buyer, and later transactions were at 4 11-16 to both buyer and seller.

Aug. 12.—Funds weakened, opening at 4⅝ to the buyer, reacting later to 4½ and closing at 4 13-32 to the buyer.

Aug. 13.—Funds opened weaker at 4⅜ to the buyer and the same rate to the seller, closing slightly stronger at 4 13-32 to the buyer.

Aug. 14.—Funds were again weak with no transactions. At the opening they were offered at 4⅜ to the buyer, and at the close were 4 5-16 bid.

Sterling is on the whole lower again this week than during the previous seven-day period. In the case of francs, the rate is higher than a week ago.

	Sterling		Francs	
	Demand	Cables	Demand	Cables
Aug. 8	4.31¾	4.32½	7.80	7.78
Aug. 9	4.32	4.32¾	7.72	7.70
Aug. 11	4.31½	4.32½	7.69	7.67
Aug. 12	4.31½	4.32¼	7.63	7.61
Aug. 13	4.31½	4.32¼	7.77	7.75
Aug. 14	4.30½	4.31¾	7.86	7.84

UNION

A branch was opened at Winkler, Manitoba, this week under the management of R. C. Jamieson. This office brings the institution's branch system to a total of 367 branches.

Branches at Cessford and Pollockville, Alberta, have been closed.

J. Coulthard has been appointed manager of the newly established Foreign Department, in connection with the main branch in Vancouver, B.C.

A branch has been opened at Duchess, Alberta, under management of D. McAdam, of the Brooks branch.

MONTREAL

On the occasion of the recent visit of Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, to Saskatoon a luncheon was tendered by the local manager, G. H. Harman, attended by the following members of the organization in Saskatoon and district: Sir Frederick Williams-Taylor, with his private secretary, Mr. Spinney; F. C. Booth, Battleford; F. J. Coutts, Davidson; V. Olson, Veregin; A. J. Folkersen, C. E. Neale, Girvin; S. C. Bunting, North Battleford; E. A. Moore, Prince Albert; O. Rostrup, Rosthern; E. A. Rolstead, Wakaw; H. M. Belcher, western inspector, and S. H. Grimes, Saskatoon.

COMMERCE

John A. C. Kemp, second agent of the Canadian Bank of Commerce, New York, has been appointed chief inspector, with headquarters at Toronto.

Plans have been prepared by the Canadian Bank of Commerce for an extension of their Market branch, corner of King and Jarvis, Toronto, thus providing more banking room, and enlarged floor above for the York County offices. The bank owns 47 feet on King street and 88 feet on Jarvis street, 66 feet of which is covered by the present building. It is proposed to extend the building back on Jarvis on the other 22 feet. Still another 20 feet at the north has recently been purchased by the bank to secure adequate lighting. The extension will go ahead as soon as the new title is completed.

U. S. BANK CLEARINGS

Payments through the banks, as reflected in clearing house transactions at most of the principal cities in the United States, continue remarkably heavy, the total last week at sixteen leading centres, as reported to Dun's Review, mounting $7,499,511,171, an increase of 38.8 per cent. over this week last year and of 60.4 per cent. as compared with the same week in 1917.

THE RUSSIAN ROUBLE

The value of the Russian rouble reached its lowest point at Vladivostok when the banks sold 75 roubles for a dollar. In the stores as many as 85 roubles are taken as the equivalent of a dollar. The drop in exchange is causing the Russians much embarrassment.

MOLSONS

G. C. Beach, who has recently returned from the front, has been appointed manager of the new branch of the Molsons Bank which has been opened at 1643 West St. Clair avenue, Toronto.

MAY SOON REACH MONEY LIMIT IN FOREIGN TRADE

Sir Frederick Williams-Taylor Talks About Export Opportunities

BUILD AT VANCOUVER

Bank of Montreal Will Erect Handsome New Premises on Pacific Coast—The Exchange Problem

By Special Representative.

VANCOUVER.—On his arrival in Vancouver, Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, announced that, although it would not be done at once, the bank would erect handsome new premises in keeping with the growing business of the bank and the steady development of the city. Another outstanding announcement made was, that while capital would, in his opinion, be available in the United States for legitimate undertakings, the London market for loans to Canada would not be open again for many months to come. After a short visit to California, Sir Frederick and his party will return east, via the Crow's Nest.

On the subject of New York exchange, which is creating a great deal of interest here just now, he said that all allied countries were at a similar disadvantage in their dealings with the United States as a result of the war. The prime factor in the higher rate was an excess of imports over exports and foreign interest payments, in connection with which daily remittances are required. The purchase of luxuries abroad accentuated the situation. Had the British Government been in a position to pay in full for its purchases made in the Dominion and not borrowed the $200,000,000 now owing Canadian banks, the premium on American funds, he said, would not have reached its present height. The condition of the American investment market made it practicable, if desirable, to float public loans and this would tend to ease off the rate.

Financing Foreign Trade

While there were many opportunities for Canadian commerce in foreign countries, Sir Frederick went on to say that he believed that Canada's limit in extending credits would soon be in sight. He said this, fully realizing that these trade openings might soon pass away. He did not favor the opening of Canadian banks in foreign countries or altering the present system overseas.

On the subject of the moving of this year's wheat crop, he said that Dominion banks and financiers would again have to finance the movement and that a large proportion of the yield would be taken by Great Britain. He said that the attractiveness of the new war loan must lie in its price if the issue was to meet with the popularity accorded previous tax-exempt issues.

INCREASE OF CAPITAL

Authorized Limit of Provincial is Now $5,000,000

MONTREAL.—At the annual meeting of the Banque Provincial this week, the directors were authorized to increase the capital stock of the bank from $2,000,000 to $5,000,000. It is provided that the new stock shall be issued from time to time as required. This increase in capitalization is all the more significant of the bank's expansion, as only in January last the capital was increased from $1,000,000 to $2,000,000. All that time the issue was rapidly subscribed, and within three weeks of the opening of subscriptions over $700,000 more had been offered than was required, and had to be refused. The bank has 95 branches, besides sub-branches in Quebec, Ontario and the Maritime Provinces.

Hon. Sir Hormisdas Laporte was re-elected as president, and Tancrede Bienvenu as vice-president and general manager.

BANK OF ENGLAND

The weekly statement of the Bank of England shows the following changes:

Total reserve increased......£	380,000
Circulation decreased	405,000
Bullion decreased	24,307
Other securities increased....	729,000
Public deposits decreased.....	480,000
Other deposits decreased.....	10,687,000
Notes reserve increased......	426,000
Govt. securities decreased....	12,285,000

The proportion of the bank's reserve to liability this week is 24.2 per cent.; last week it was 21.7 per cent. Rate of discount 5 per cent.

GERMAN BANK STRIKE

Bank officials of Hamburg and Altona have gone on strike, causing all the banks to close. The bank employees voted by 1,500 to 300 to strike. The Berlin Bank Association made a proposal for mediation, which was refused. It is anticipated that the banks will attempt to carry on most urgent business, but it is admitted that Hamburg faces a very earnest conflict.

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FIELD OF MUNICIPAL FINANCE

RAISING CREDIT MUNICIPALITIES BY LEGISLATION

Steps Taken by Quebec, Saskatchewan and Alberta Are Outlined at

KINGSTON CONVENTION

Control of Sinking Funds—Advertising for Tenders—Measures to Bring Delinquents to the Mark, Etc.

By Special Representative.

KINGSTON.—At the nineteenth annual convention of the Union of Canadian Municipalities, the pioneer deputy ministers of municipal affairs in the provinces of Quebec, Saskatchewan and Alberta outlined the possibilities for good of such departments and of especially their relation to sound municipal finance.

Speaking as the representative of the Province of Quebec, Oscar Morin referred to the important changes that had recently been brought about in the municipal law of the province. Among the innovations he cited that the law now gives a Government control over the sinking funds destined to meet the loans contracted by the municipalities.

Despite the fact that some delegates objected to this as an interference with municipal rights, Mr. Morin declared that the new departure had given investors in bonds an increased confidence in municipal offerings and that it ensured the setting aside for the due date of bond issues the ready money necessary to meet the obligations of each municipality. Although the sinking fund for each loan is deposited with the provincial treasurer, the money can be invested in certain securities, if ordained by the Lieutenant-Governor in Council, such as: (1) Dominion or provincial stock; (2) public securities of the United Kingdom or the United States; (3) municipal stock or debentures; (4) bonds or debentures of any school corporation in any city or town of the province; (5) real estate in the province, or (6) first mortgages on real estate in the province to an amount not exceeding three-fifths of the municipal valuation of such real estate.

Care of Sinking Fund

"It is realized and admitted that the sinking fund must be carefully looked after," said Mr. Morin, "for it is the taxpayers' saving account for the payment of outstanding bonds. It is, moreover, the bond holder's primal security for his bonds. The real trusteeship, therefore, of the Government is for the taxpayers and for the bond holders."

Other innovations included the fixation of a maximum term for debts incurred by municipalities, as it was considered to be only equitable that municipal loans be paid during the life of the work and by the generations which profit by it. Loan by-laws must now be voted on by at least a certain percentage of voters in every case and the existing debts of the municipality must be mentioned in every case to ensure exact knowledge on the part of investors of the financial position of the municipality. In order that municipal bonds may not be attacked for some legal technicality which might render them invalid they must now bear the certificate of the Minister of Municipal Affairs and they are thus rendered incontestable.

Must Call for Tenders

Other legislation passed forbids municipalities to give aid to industries with the sole exception that cities and towns may exempt industries from taxation for a limited period of time. In order that the real value of bonds may be realized it is now demanded that all municipal corporations call for tenders through the Quebec Official Gazette. Moreover, municipalities must provide for the payment of improvement works before they can give out a contract for their construction, thus obviating any embarrassment which might arise if the electors or the Lieutenant-Governor in Council did not approve of the work.

In conclusion Mr. Morin stated that it was a source of satisfaction that none of the fundamental principles of financing in the act have been attacked and that there are few Provinces in which the bond laws incorporate so many of the accepted principles of financing.

Drastic Measures Necessary

Discussing the possibilities of a department of municipal affairs in aiding municipalities in their financial operations, John Perrie, Deputy Minister of Municipal Affairs in Alberta, remarked that at times it was very necessary for the department to take drastic measures.

"A Municipality may be falling behind in its debenture payments, or it may not be financing properly," said Mr. Perrie. "It may be necessary for the department to direct and possibly take charge of affairs to a certain extent. I have in mind one case in our own Province. The finances of a certain town were in bad shape. The tax rate had been at a low rate for years and they were not raising sufficient revenue to meet their requirements. They were heavily indebted to the bank, they were behind with some of their debenture payments. Suit was brought against them and they appealed to the department. We took the matter in hand, found out what part of their assessment roll might be called a "live assessment roll" and advised that a rate of taxation should be levied on such live part of their assesment roll which would clear up their outstanding indebtedness. The necessary rate was levied. It was high—141 mills—but the taxes were levied and paid. The finances of the town were placed on a proper footing and have been in good shape ever since."

Discussing the value of the department, Mr. Perrie declared that it placed at the disposal of the municipalities of the Province a great deal of valuable material gathered by experience and research as well as the services of officials trained in the various ramifications of municipal administration.

Too Much Paternalism?

In the absence of J. J. Smith, Deputy Minister of Municipal Affairs in Saskatchewan, J. N. Bayne, who formerly occupied that position and who is now a member of the Local Government Board, pointed out what was being accomplished. His remarks that municipal debenture issues were being scrutinized and that municipalities were not permitted to invest their sinking fund in their own bonds without first submitting their case to the Local Government Board brought forth protests from Mayor Hardie of Lethbridge and E. T. Sampson of Outremont, both of whom declared that such an investment was perfectly legitimate if there had been stable financing without the accumulation of deficits. Mr. Hardie declared that there was too much paternalism on the part of the departments, but in reply Mr. Bayne pointed out that as distressed municipalities usually appealed to Provincial Governments for relief from their financial troubles it was the duty of the latter to supervise their actions.

THE MUNICIPALITIES OPPOSE BONUSES

Convention Goes on Record as Against Granting Privileges to Industries

By Special Representative.

KINGSTON.—At the concluding session of the Union of Canadian municipalities on Thursday morning in Kingston, antagonism to the practice of giving privilege to industries was shown and the following resolution was passed:

> Be it resolved that the Union of Canadian Municipalities goes on record against any law allowing municipal councils to derive municipal funds or credit from their natural ends in subsidizing industries and it is further resolved that any provincial governments where this practice has not already been stopped should be prayed to enact the necessary restrictive laws to that end as soon as possible and that copies of this resolution should be addressed to the proper official of all the provincial governments of Canada.

The following officers were elected for the ensuing year:

President, Mayor Harold Fisher, Ottawa; first vice-president, Arthur Roberts, K.C., Bridgewater, N.S.; second vice-president, Ald. Grant, Edmonton, Alta.; third vice-president, Mayor H. W. Newman, Kingston; provincial officers on executive, Ontario, C. W. McCrea, Sault Ste. Marie; Mayor Elson, St. Catharines, and a representative to be appointed from Toronto; British Columbia, Mayor Gale, Vancouver; Reeve T. W. Fletcher, Point Grey, and Mayor S. A. Shatford, Vernon; Nova Scotia, Hiram Goudey, Yarmouth; Warden W. G. Clarke, Annapolis; Mayor A. C. MacCormick, Sydney Mines; Quebec, Mayor Thurber, Longueuil; Ald. C. Rondeau, Westmount; Ald. P. H. Bedard; Alberta, Fred Freeman, Lethbridge; Ald. W. F. Adams, Calgary; Ald. H. M. Martin, Edmonton.

That in congested areas of large urban centres telegraph wires should be put underground is the opinion expressed in a judgment handed down by the Railway Board.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

Aug. 22, Kenora.—$10,000 5½ per cent. 15-instalment debentures.

Aug. 30, Brooke Township.—$5,190 6 per cent. five-year debentures for drain. —W. G. Weed, Clerk, Brooke.

Aug. 28, Alberta Schools—$25,800 in ning blocks; 6½ per cent.; 10 and 15 years. J. T. Ross, Deputy Minister, Edmonton.

BY-LAWS PASSED OR DEFEATED

Niagara Falls.—$100,000 for a new technical school and addition to the Collegiate Institute. Passed by the City Council August 4.

Windsor.—$100,000 for cement walks and $150,000 for fire equipment. Defeated by ratepayers August 9th.

Barrie.—$75,500 for school improvements, $7,300 for sidewalks and $2,700 for roads. Passed by the ratepayers.

Niagara Falls.—$50,000 for hospitals, $21,000 for incinerator plant. Passed by City Council August 1.

Huntsville.—$7,000 for permanent improvements. Passed by ratepayers August 4.

Maple Leaf School Section.—$2,000 for heating system. Passed by school board.

Dundas—$64,000 for public school purposes. Passed by the Town Council August 4.

Dunnville—$12,000 for Hydro-Electric plant. Passed by Town Council.

Fort William—$230,000 and $87,000 for school purposes. Passed by City Council.

DEBENTURE NOTES

Peace River—The Village of Peace River, Alberta.—W. J. Doherty, Secretary-Treasurer—is advertising for tenders for $4,200 five-year 6 per cent. debentures in five equal annual instalments of $997.06. No closing date is given in the advertisement.

Prince Albert.—It is evident, says the Montreal Star, that within the near future holders of Prince Albert, Sask., city and school bonds will be in a somewhat easier position than they have enjoyed for some time. Announcement is made that the city and school boards have authorized an issue of consolidated debenture stock to be exchanged for the outstanding debentures of the two boards. Holders of these latter are being asked to surrender their debentures and all unmatured interest coupons to be exchanged for the new debenture stock having a par value of equivalent to the principal of such debentures and accrued interest to December 31, 1918. Interest on outstanding debentures ceased after this date.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from July 20th to July 26th:

School Districts.—Gravilly, $3,500; xManitou Hills, $3,500; xDunning, $3,500; Ogema, $3,300; Lynne, $3,000.

Rural Telephone Companies.—Willmott, $16,000; St. Elmo, $1,350; Glen Mary, $20,000; Innes, $1,900; Stockholm, $15,900; Juniata, $1,300; Sovereign, $6,015; Glendale, $2,100; Gartmore Zorra, $18,350; Deep Lake, $2,100; Netterville, $1,950; Ibestone, $4,600; Birch Hills, $4,450; Spalding, $33,800; Fort Pelly, $6,000; Eddy, $6,700; Wroxton-Kessick, $27,950; Marcelin, $17,900; Richard, $2,700; Tetlock, $7,000; Viceroy, $35,400; Ituna, $11,800; Kildrum, $15,600; Wakaw Lake, $33,300; Biggar-Northern, $32,200; Leitchville, $19,200; Great Bend, $11,600.

Village.—Parkside, $10,000; Southey, $12,500.

xBeing sold by Local Government Board.

Sales Reported

The following reported sold July 20 to July 26:

School Districts.—Hubbard, $6,000, to W. L. McKinnon & Co., Regina; Spruce Grove, $2,500, to Waterman-Waterbury Mfg. Co., Regina; Bryn Mawr, $800, to Harris-Read & Co., Regina; Hamburg, $2,500, to C. H. Burgess & Co., Toronto; Wood End, $4,600, to Great West Life Assurance Co., Winnipeg; Taft, $600, to G. A. Stimson & Co., Toronto; Dickson, $1,000, to Wood, Gundy & Co., Saskatoon.

Rural Telephones.—Kasuth, $8,900, to Harris-Read & Co., Regina; Tantallon, $8,000, to Goldman & Co., Regina; Spring Grove, $16,200, to Harris-Read & Co., Regina; Gartmore Zorra, $18,350, to Harris-Read & Co., Regina; Guernsey, $14,200, to Harris-Read & Co., Regina; Kandanar, $16,000, to Harris-Read & Co., Regina; Eagle Creek, $1,700, to Nay & James, Regina; Garnock, $9,200, to W. L. McKinnon & Co., Regina; Crocus Bell, $3,000, to W. L. McKinnon & Co., Regina.

H. J. Birkett & Co. report the purchase of: Rural Municipality of Wellington, Sask., $10,000.00 7 per cent., 10 instalments; Baber Rural Telephone Co., Saskatchewan, $5,400.00 6½ per cent., 15 instalments; Dodsland Rural Telephone Co., Saskatchewan, $9,800.00 7 per cent., 15 instalments.

..BOND SALES

$2,500 Bell Tel. at 96; $3,000 Can. Locomotive at 94 to 92½; $2,000 Cedar Rapids at 89 to 88½; $6,000 Can. Cement at 101 to 100½; $2,000 Dom. Can. at 94; $1,000 Dom. Cotton at 100; $2,000 Dom. Iron at 90; $700 Montreal Tram (deb.) at 70¼; $8,000 Quebec Rly. at 66; $1,500 Steel of Can. at 99¼ to 99; $7,500 Wayagamack at 87 to 86; $374,900 Victory Loan (1922) at 100⅞ to 100; $432,670 Victory Loan (1923) at 100⅞ to 100; $40,950 Victory Loan (1927) at 102½ to 101¾; $558,650 Victory Loan (1933) at 105⅛ to 104⅛; $219,750 Victory Loan (1937) at 106 to 105⅛; $6,500 War Loan (1925) at 98 to 97½; $73,700 War Loan (1931) at 98¾ to 98¼; $81,300 War Loan (1937) at 101½ to 99.

Weekly Record of Government and Municipal Bond Sales

Date.	Place.	Purchaser.	Rate.	* Term.	Amount.	Price	Basis
Aug. 11	Province of Ontario	W. A. Mackenzie and syndicate	5½%	5 years	$3,000,000	96.67	5.575
Aug. 9	Medicine Hat	Aemilius Jarvis & Co.	5-6%	Various	132,253	.....	6.15
July 20-26	Saskatchewan Schools	See above			17,000	.....	....
July 20-26	Saskatchewan Phones	See above			95,550	.....	....
Aug. ..	Saskatchewan Locals	H. J. Birkett & Co.	6½-7%	10-15-ins.	25,200	.....	....

CANADIAN Government and Municipal BONDS
We shall be pleased to furnish our list of investment suggestions on request.
W. A. MACKENZIE & COMPANY
TORONTO CANADA

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"Believing that Trust Companies created for the administration of trusts and estates should practically last forever, the Board of this Corporation have laid down the principle, and have acted on it since its inception (in 1882), that we shall exclusively confine ourselves to a trust and agency business."
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HIGH GRADE PULP AND POWER ISSUE
6½%
SERIAL SECURED GOLD BONDS
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Maturing from July 1921 to July 1934
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SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES
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of high standing and good clientele in Ontario can secure a first-class position with house doing only high class business.
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Debentures For Sale
Town of Cochrane, Ont.
$5,000 equal annual payment debentures, 20 years, bearing 6% (Six) coupons attached for the interest payable at any place in Canada, Great Britain or United States. Issued for waterworks extensions. Tenders will be received by the undersigned up to and including the 2nd day of September.
H. J. BROWN,
Treasurer

LOANS WANTED
Advertiser requires the agency for a loan company which will make loans for the erection of dwellings and mercantile buildings, in the town of Drumheller, Alberta. Population 2300. Electric Light and Waterworks, Fire Protection. 22 Coal Mines. Unsurpassed farming district. Large Payroll. Most progressive town in the West. Write J. C. Knight, J.P., Drumheller, Alta.

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The Sun Life Assurance Company of Canada, with over $340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over $97,000,000 and surplus of over $8,000,000 it has decided strength and safety.

Its policy, conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division office, or with the Company's Head Office in Montreal.

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FIRE INSURANCE COMPANY
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The Mutual placed upon its books in the first five months of 1919, 100% more business than in the corresponding months of 1918. The wonderful war-record of the Mutual Life and the prompt payment of the many unexpected claims during the recent epidemic—these have proved the value of the institution. The Mutual, moreover, is in a peculiar sense a people's company being in its control democratic, in its economy strictly co-operative. This means that the system is in line with the "Spirit of the Age" and so the people naturally turn to the Mutual. The record of the company for nearly half a century has been one of increasing beneficence, and an ever-growing number of gratified policy-holders help on the good work of the agents. As a result there probably is not a more prosperous group of workers in Canada to-day than the representatives of our company.

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WATERLOO : : ONTARIO

5½% INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½ DEBENTURE of
The Great West Permanent Loan Co.

SECURITY

Paid-up Capital	$2,412,578.81
Reserves	964,430.39
Assets	7,086,695.54

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A Canadian Company Investing its Funds in Canada

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TORONTO OFFICE: 61 YONGE STREET
J. F. HOBKIRK, MANAGER

INVESTORS' INSURANCE NOTES

OVER $64,000,000 WAS COMMERCIAL UNION INCOME

Record Showing of Important British Assurance Company

ASSETS $174,000,000

Enormous Fire Business With Smaller Loss Ratio—Life and Accident Also Up—Relation to Government

The annual meeting of the Commercial Union Assurance Company, Limited, in London, Eng., served to bring out some very interesting points not only in regard to the splendid year's record of the company, which far exceeded that of any previous year, but many points in connection with war and after-the-war conditions of insurance companies in England.

The total income for the year was $64,653,015, and the total assets now exceed $174,000,000. The chairman, Sir Jeremiah Colman, Bart, declared that the results of the year's business were "little short of phenomenal."

Fire Premiums $26,312,385

The fire department is the outstanding one, and the net premium income amounted to $26,312,385, as compared with $22,729,830 in the previous year. The claims showed a percentage of loss of only 42.3, as compared with 48.4 in 1917. The expenses amounted to 34.9 as against 34.420, but the slight increase was more than accounted for by "State impositions." Even after allowing for 40% of the increased premiums, there remained the large profit of $4,560,545, as against $2,865,000 in 1917. The Fire Insurance Fund now stands at $26,549,685, as compared with $23,559,260 one year before.

Smaller Death Claims

In the life department the policies issued numbered 2,826, compared with 2,720 in 1917. The claims by death were only $1,710,000, compared with $2,075,000, a reduction common to most life companies with the war ended. The premiums increased by $200,000, and the life funds by $2,500,000. The war claims for 1918 amounted to $325,000, and the total war claims from the beginning to Dec. 31, 1918, to $1,665,000.

More Petrol Helps Now

In the Accident Department a great advance was noted. The net premiums received were $23,044,800, an increase of $3,611,335 over 1917. The claims showed a loss ratio of 52.2 against 51.4, and the expenses ratio was 32.3 against 32.5. The Chairman explained that there had been "an abnormal amount of burglary." Then motor premiums had been affected by the shortage of petrol. He added:

> "In respect of employers' liability, the results are quite satisfactory, and an arrangement has been made, which I am quite sure shareholders will commend, with the Government that no extra premiums shall be charged owing to the employment of disabled men suffering for their patriotism by wounds.
>
> "The workmen's compensation is a satisfactory account. You probably know—at any rate those of you who are in Parliament know — that the Home Secretary has set up a Committee to examine into the working of the Compensation Act and to report on what alterations may be necessary. We do not know what that may bring forth—nothing very good for insurance companies, I expect; but, on the other hand, I think the Government know well that the accident companies are dealing very fairly and reasonably with their claimants, and that extravagant profits are not being made, and would hesitate very much to take any steps to remove the business from those now conducting it."

The Accident Insurance Fund now stands at $15,801,245.

Lower Marine Rates

The Marine Department showed premiums of $4,105,000, a decrease of $355,000, owing to very material reductions in rates. The loss ratio was only 39.9, as against 66.7 one year ago, little more than half. The fund now stands at $7,151,215.

Total Funds $142,000,000

The total funds of the company amount to $142,592,009, a growth for the year of $11,254,704. The dividends amounted to 31 shillings per share, free of income tax, compared with 28 shillings in 1917 with only one half the income tax paid.

The total investments of the company amount to $64,180,000, against $52,665,000, and out of this war loans amount to the handsome figure of $46,785,000.

In referring to the staff and the war the Chairman stated that 1,950 out of 2,500 were attested, or 78 per cent. Of these 191 were killed, 309 wounded and 16 missing.

Reference was made also to the purchase of the Edinburgh Life Assurance Co. for $1,100,000. The purchase of companies, the Chairman said, had proved satisfactory.

The Canadian business, which has been in charge of the acting manager, W. S. Jopling, since the illness and death of the late manager, James McGregor, progressed very considerably and the net fire premiums exceeded $1,100,000.

INSURANCE A BIG ASSET IN ESTATES

Life Policies Are Included in Nine Out of Ten Inventories Filed in B.C.

In speaking of the importance of life insurance as an asset in estates, before the Vancouver Underwriters' Association, W. U. Runnalls, Inspector of Trust Companies for British Columbia, mentioned that he had been connected for many years with the Department of the Provincial Government which assesses the probate and succession duties on all estates having property within the Province and stated that he was well within the mark in stating that not 10% of the inventories that come to the Department include a life insurance policy as an asset. When he remembered that in these inventories frequently there were lists of questionable and uncertain securities he wished it was compulsory for every married man to carry at least some life insurance and increase his life insurance in keeping with his growing responsibilities. Every man contemplating matrimony should apply for life insurance, and if he cannot pass the doctor he has no right to get married. Poverty is not a legitimate reason for the lack of insurance, and especially where a man has someone depending on him, as a man who cannot afford to pay the premium cannot afford to be without life insurance. Life insurance in most cases is the most liquid part of an estate and frequently where the rest of an estate is tied up for one cause or another the life insurance policy is paid over to the widow or other beneficiary without delay. Partnership insurance also was to be recommended as the payment of a policy on the death of a partner in a business often meant that the business was continued, whereas without it owing to the lack of ready cash the business is kept in a very unsatisfactory condition, sometimes it cannot be continued as before and debts cannot be paid and on the other hand it cannot be closed out. The value of having policies paid in the event of death in instalments instead of in a lump sum was referred to, Mr. Runnalls calling attention to the fact that life insurance monies and other bequests often were invested in some investments which did not turn out right or were dissipated in some way. On the other hand, where the widow or other dependent received a cheque at stated intervals, monthly or yearly, there always was money on hand.

MONTREAL TAX ARREARS

Hardly More Than Half Taxpayers Paid on Time Last Year

Hardly more than half of Montreal's realty proprietors paid their property tax to the city on time last year, according to the Star, while up to this date there still remains due to the city on real estate, balances amounting to $2,987,000. The total amount of the property tax for 1918 was $13,550,000; and on January 1, 1919, there was still due from this source $5,723,017. From January to July of this year, $2,473,736 was collected and during July, about $275,000.

On January 1, taxes due the city for 1917 amounted to $1,160,167. Of this amount $620,000 has since been paid. Of the taxes due for 1916, there is still due $55,184, most of which represents litigations now before the courts.

On May 1 last, 11,848 properties had been put on the list to be sold by the sheriff. Since then about 4,000 properties have been taken off that list, and when the date of sale of the balance comes due it is not believed that more than 500 will remain to be sold.

HUDSON'S BAY TAXES

An Accumulation of $500,000 May be Collected

CALGARY.—Hon. C. R. Mitchell, acting Premier of Alberta, stated recently that he believed the decision of the privy council against the Hudson's Bay Co., in payment of surtax on lands in Saskatchewan would have the effect of producing payment of the wild land tax in Alberta on the company's lands. Mr. Mitchell estimated this accumulated tax now totalled half a million dollars.

SMALLER VOLUME OF FIRE BUSINESS

Losses Also Lower — Smaller Stocks Mean Smaller Policies

While the fire losses so far this year are much less than for the corresponding period of one year ago, a number of insurance men state that the total business tends to fall behind that of 1918. One of them told THE FINANCIAL POST that the only reason he could assign for this decrease was that many of the wholesalers and jobbers and manufacturers' agents were carrying smaller stocks than last year, with the result that their total insurance ran far below the total of 1918. He gave as an instance a wholesale house which had reduced stocks by over $250,000 in value compared with what they had one year ago, and, of course, their fire policies suffered as a result by this amount. Another example was a large woollen importing house that was selling by sample rather than carrying large stocks for the retailers. These in turn could not afford to stock up with many "bolts" at the very high prices, as their business was below, in volume, that of last year and previous years, and the jobber's stock, being much smaller, meant that much less of a policy for the fire insurance companies.

This was not the general experience with the retail stores, which have been doing a splendid business, but even here the tendency of a large number is to buy sparingly, smaller quantities at a time, instead of stocking up as they did when they were more uncertain as to the supply of goods. There was more hand to mouth buying than in the last two years.

NEW TORONTO INDUSTRIES

Favorable Report of Industrial Department of Harbor Board

Since February, the Industries Department of the Harbor Board has been successful in bringing to Toronto a total of fourteen new industries, according to a report submitted E. L. Cousins, the Industrial Commissioner.

Mr. Cousins reports that the campaign is being enlarged to put the department in touch with over 1,500 firms outside of Toronto. He states that there is a shortage of space for what may be termed modern light loft type manufacturing. Many applications for space of this kind have been received, he said. The preferential tariff between Great Britain and the colonies has resulted in many American firms establishing here, the report states.

The new firms located in Toronto, and the number they will employ are:

Anthracite Briquette Co., new coal company, 2,200; Baldwin, Ltd., tin plate and steel plate, Swansea, Wales, 30; Blatchford Calf Meal Co., Waukegan, Ill., 20; Consolidated Wafer and Cone Co., new company, 20; Crane, Ltd., Valve Mfg. Co., Chicago, 50; E. Fielding & Sons, Toronto, 5; Fish Coal Co., Toronto, 10 to 15; Larned & Carter Co., Detroit, 220; Merchandise Specialty Co., new company, 10; Neptune Meter Co., New York, 20 to 30; Taylor Instrument Co., Rochester, 4; Toronto Steel Construction Co., Toronto, 75 to 100; Ward Baking Co., Chicago; Select Lingerie Co., Ltd., new company, 10.

HOUSING SCHEME IN N.S.

May Be More Activity Following Director's Appointment

By Special Representative.

HALIFAX.—At the last session of the Nova Scotia legislature an act was passed to take advantage of the fund placed at the disposal of the province by the Dominion to increase housing accommodation available for returned soldiers. The act called for the appointment of a director of housing, and such an official has now been named in W. B. MacCoy, secretary of the Department of Industries and Immigration. Two or three municipalities have taken the initial steps to operate under the act, and more activity may be manifested now that the director has been appointed.

THE HOUSING SCHEME

Difficulties of Administration Continue to Crop Up

The difficulties being encountered in the administration of the Government housing scheme continue to crowd themselves forward. Aside from the financial and business weaknesses emphasized last week it has since been reported that Chairman Richter, of the London commission, has sent in his resignation because of the speculative phase of the proposed program for the building of 36 houses with municipal funds. His view is that it is not sound to launch into a $100,000 scheme on the off chance that buyers may appear.

The city of Westmount has decided against the whole scheme because the type of Government structure is not in accordance with the building regulations of that municipality.

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Assets over -	$4,000,000.00
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ASSURANCE CO.'S PROGRESS

Western Empire Life in First 7 Months Exceeds Last Year

For the period covering the first seven months of the current year, the business of the Western Empire Life Assurance Company has exceeded a million dollars, being practically equal to the total business written last year. Revenue and income show a correspondingly gratifying increase. Renewal premiums and interest payments are being well met, and the business of former years is showing remarkable persistency. This progress, in view of the industrial unrest, and the somewhat pessimistic crop reports, is viewed with considerable gratification.

The business of the Fidelity-Phoenix during the first six months of 1919 shows considerable expansion, as the unearned premium reserve has been enlarged from $11,725,307 on December 31 last to $12,589,777, an increase for the first six months of $864,470. Aggregate assets of $24,748,087 are shown in the semi-annual statement recently published. This is a gain of no less than $2,443,873 as compared with the figures of the company at close of 1918.

NEW SCHEMES TO PROVIDE HOUSES FOR THE WORKERS

Leaside Housing Co. Capitalized at $40,000 to Build Workers' Homes

GOODYEAR'S SCHEME

Suggestion to Provide Houses at New Toronto—Kitchener, Wants 200 New Houses—Oshawa's Problem

The Canada Wire and Cable Company, with their new factory located at Leaside, seek to solve the house problem for their employees there, by the formation of a new housing company, that will undertake to build six room houses, in compliance with the new Ontario Housing Act. The new company will be known as the Leaside Housing Company, Limited, and is capitalized at $40,000, with four hundred shares. The directors are F. J. Bell, president of the Canada Wire and Cable Company, and Herbert Horsfall, of the same company. Mr. Bell told a representative of FINANCIAL POST, that the new housing company will operate without profit, and solely for the benefit of the employees. The houses will be built according to the stipulations of the Ontario Housing Act. Employees will pay for their homes at a monthly payment, owning the houses at the end of twenty years. The houses will be six room structures, with all conveniences, and concrete basements.

Goodyear Tire Co. Has Scheme

There is also a great dearth of houses in New Toronto, according to the statement of C. H. Carlisle, general manager of the Toronto branch of the Goodyear Tire and Rubber Co. The company has made a proposition to the corporation, if the Government will entertain it, in order that the problem in this district may be solved. The company has secured 17 lots, which will provide for 34 more houses. It is willing to turn them over for purchase by the Government, if they will take them, for the erection of suitable houses, at an initial payment of ten per cent. of the total amount down by the purchaser. The company is also willing to assist the Government in other ways in furthering the scheme.

Nearly three hundred applications have already been received by the New Toronto Housing Commission, but their allotment of $200,000 is already absorbed in the present 54 houses building.

200 Houses at Kitchener

The Dominion Rubber Company at Kitchener, Ont., has submitted a proposition to the City Council, whereby 200 houses will be erected with as little delay as possible. It is proposed that the houses be erected under the jurisdiction of a housing commission, and the company guarantees the payments under the provisions of the Act.

Oshawa's Problem

The housing problem in Oshawa is one that is giving much concern, and while there is a large number of houses under construction, this by no means solves the problem. An effort has been made by the General Motors Company to secure homes for their men in the adjoining towns of Whitby and Bowmanville. Twenty houses were available in Bowmanville belonging to the Goodyear Co., that would suit the purpose admirably. But then there was the problem of transportation to and from Oshawa. The trains between Bowmanville and Oshawa do not run at hours that would bring the men to and from their work at the proper time. Jitneys and motor trucks were the next resort. But when the owners of these were approached, the prices they wanted, combined with the uncertainty of service in the winter months, made it impracticable. So the project had to be abandoned.

BROCKVILLE BUILDING

Paper Mill and Other Industrial Plants Projected

BROCKVILLE.—Plans for the immediate construction of a big paper manufacturing plant were discussed and endorsed by the Brockville Board of Trade, and a strong agreement entered into with the promoters, the chief of whom are C. F. Buss, of Mille Roches, and J. R. Buchanan, of Ottawa. It is proposed to give the company a site on which work will be commenced at once. The Board is in touch with several other industries looking to Brockville for locations. Mayor Lewis, in addressing the gathering, stated that the council intended taking advantage of the provisions of the Ontario Housing Act, in order to secure increased housing accommodation now imperatively needed owing to local industrial expansion.

IS NEW YORK TO BECOME FINANCIAL CENTRE OF WORLD?

Continued from page 1.

greatest world capitalist with the resources of the nation richest of all others in raw materials, give promise of a material prosperity unparalleled.

In the industrial world, America has advantages which will enable her successfully to compete with other nations and at the same time pay rewards both to capital and to labor such as industry in no other nation can pay. Those advantages are inherent in our own position. Other nations, to a greater or less degree, are workshops to which raw material must be brought from more or less distant places, wrought into finished products and, in part, again exported so that the profit of the workshop can be largely used in importing food to sustain the workers.

America is almost self-contained as to raw materials. We must import rubber, but all other rubber manufacturing centres must do the same. We import some ores that, mixed with our own inexhaustible supplies, help to produce a higher quality of product. Among foods, the coffee bean, tea and chocolate are perhaps the only serious demands we must make on other lands. Of course, we must have imports if the world is to pay for what we export, and we can consume large values of foreign fruits, tea, chocolate, nuts, vegetable oils and the luxuries of silk, precious gems and platinum in which to set them. But these are not fundamental necessities to our industrial life as are the imports of coal, cotton, wool, cereals, copper, mineral oils and cerals that are fundamental in the lives of the great industrial centres of the world.

So much Nature has done for us, but our own political life has given to American industry an advantage which, if we had but that alone, would be an almost determining factor in giving us ultimately industrial world leadership. The manufacturer who has, in the first instance, a domestic demand from 105,000,000 people, rich in the purchasing power which general prosperity gives them, separated by no hampering political boundaries, with no hurdles of tariff, no differences of language, with no unshakable adherence to time-established local differences of styles—a body of 105,000,000 people moving freely in their national intercourse, all keenly receptive of any improved or novel design, all wearing much the same type of hat or coat or shoes and liberally adopting the best in forms of tools, in means of transportation or in styles of articles of luxury of entertainment, the manufacturer having such a market permitting him, as it does, to reap the vast advantages of mass production (no matter what line of goods he produces) is almost at once placed in a position so superior to that of the competitors lacking these advantages that, for this reason alone, he stands almost *hors de concours*.

Limitless Agricultural Capacity

Then we may add to these advantages a background of almost limitless agricultural capacity. We have fields that produce under our methods great yields with the least expenditure of human labor found anywhere in the world, while the products of those fields are moved at the lowest transportation cost of any land transportation in existence. There are other nations that move tonnage on inland waterways more cheaply than we do, it is true. There are other acres that produce per acre a much higher yield, but if we compare the amount of human labor expended in other fields with the amount expended in ours the difference is startling. For the whole of England for example, a recent census shows that the average number of agricultural employees per 100 acres is forty-six, while in 1910, the late of the last census figures, the 478,451,203 acres of our improved agricultural lands consumed the labor of but 12,659,203 agricultural workers in the United States, an average of 2.64 per 100 acres.

Then let us remember that there has been comparatively little direct disorganization of our whole machinery of life by the catastrophe of the Great War, while in Europe there has been not only immeasurable direct destruction from the war but what will prove more harmful than all that, there has been disorganization of the delicate inter-relations and reactions in the whole interational industrial machine which it will take at least a generation to correct.

In the all important relationship between capital and labor we start with some comparative advantages too. Labor with us has been far better paid and has fewer just grievances than has labor in any other industrial nation. Still we have our share in the world problem of bringing about true co-operation between capital and labor. Those nations which made the greatest progress in that field will have an ultimate advantage over those nations which keep up an internal warfare that fosters discontent, resulting in great masses of population feeling that they are living under conditions of bitter injustice. This is true, no matter what other advantages the discontented people may have.

Woes Due to Ignorance

I have come to believe that half the woes of the world are directly attributable to an ignorance of economic law and to a blindness to social injustices. In the end, the prosperity of a people always bears a true relation to their capacity for production. If the capacity for production be interfered with, as it always must be, when workmen are discontended, because of economic fallacies to which they cling that result in a conscious limitation of production, then the limits of national prosperity are sharply bounded, no matter what the richness of natural resources may be. Therefore I believe that the measure of our future prosperity in America is definitely related to the wisdom with which we work out the relationship between capital and labor. That relationship will never be wisely worked out in an atmosphere of economic ignorance. Our failure to understand the purport and significance of some of the great underlying principles of economics is general. There is quite as much of that ignorance in the managing offices as there is in the factories. Elsewhere I have tried to give some exposition of what seems to me the great problem of the age as it is presented in Europe, the problem of the relationship of capital and labor. I believe the stability of the present order of society, the maintenance of a society based upon the principle of property rights, is bound up with the way this problem is worked out in Europe. We cannot stand a world apart in its solution. Indeed, we cannot stand a world apart in any sense. No matter how unlimited are the resources of natural wealth within us, we are inevitably part of what is coming to be a very small world, a world in which ideas travel with a freedom and rapidity that must force us to become internationalists in our views and must govern us by international considerations, whatever may be our natural tendencies to Chauvinism or our disposition toward an insular isolation and security.

Our Interests Linked With Europe

A farmer in a Kansas cornfield may fail to see what concern it is of his if there is unrest in the Balkans, Bolshevism at Warsaw, a growing army of adherents to Syndicalism, or Guild Socialism in England, or a financial crisis in France. Inevitably, however, this farmer is the centre of America will directly feel the effects of all the ebullitions of life on this other continent. He is to-day nearer to the things that may happen in Paris, in Belgium or in London, than were the peasant farmers in those very countries to their own capitals in times gone by. If a Kansas farmer is to find his direct interests involved, quite in spite of himself and probably without his knowledge or understanding, in the tangled influences that will be working on the social life of Europe, then what may be said of the manufacturing and financial interests of America that are already conscious of their relation to world affairs?

Let no American feel that he can escape all relationship to post-war developments in Europe. That is impossible, and being impossible, we should at least aim to understand those developments suffiicently to recognize something of their significance to us and judge of our responsibilities to the outside world. The future of Europe is going to be largely shaped by the wisdom or the lack of wisdom that we in America show in our grasp of European affairs, in the way we seize our world opportunities and in the sincerity with which we discharge our world obligations and render service where service is due. If we are narrow, provincial, selfish, all those qualities will react on our own future. If we are wise, broad and generous with our help our recompense will be beyond measure.

Continued next week.

BRANTFORD CIVIC LINE

System Has a Chance to Break Even This Year

BRANTFORD. — With Mohawk Park recovering its lost prestige as a picnic ground, and with the people giving heavy patronage to the street railway, Chairman J. Calbreck of the Brantford Municipal Railways Commission, announced this morning that it was expected that the civic roads would break even this year despite wages and materials doubling their cost.

CRISIS FORESEEN

Continued from page 2.

Stripped of all complications, the question sems to be whether or not the American public is willing to pay for service rendered. The alternatives are simple; either the service will not be rendered and the growth of our communities and the comfort of our people will be denied, or the cost must be met, either directly, through fares, or indirectly through taxes. As to which of these alternatives is economically sound, I assume there can be no doubt. The open question is whether the travelling public will continue to deny to its utilities the basis of charges which it accepts in every other line of business.

With the average purchasing power of the dollar decreased generally about 50 per cent. since 1914, it is impossible for 2½ cents to buy 5 cents' worth of transportation; that is the sum and substance of the whole situation.

The impairment of the street railway credit structure has been brought about through increased operating costs coupled with a fixed unit of fare. Prices of some of the most important material used in the maintenance of street railway property have increased 38 to 126 per cent. over those in 1914. Increases in wages and fuel, the largest items in the cost of operation, in some localities are as high as 100 per cent. over prices prevailing in 1914. In recent testimony before the Congressional Committee on Appropriations it has been estimated that the cost of labor and materials over pre-war prices was 85 per cent.

In times of lower costs the profit from the short-haul carried the long-haul passengers for the same fare. When the margin of profit from short-haul business was wiped out by increased cost of operation, the economic unsoundness of the traction business became critical. In many cases this condition was aggravated by local difficulties, such as cheap motor-car competition, franchise litigation, and excessive burdens imposed by regulating bodies fell off. Where relief was granted it did not come until the companies were already in a weakened condition and credit seriously impaired.

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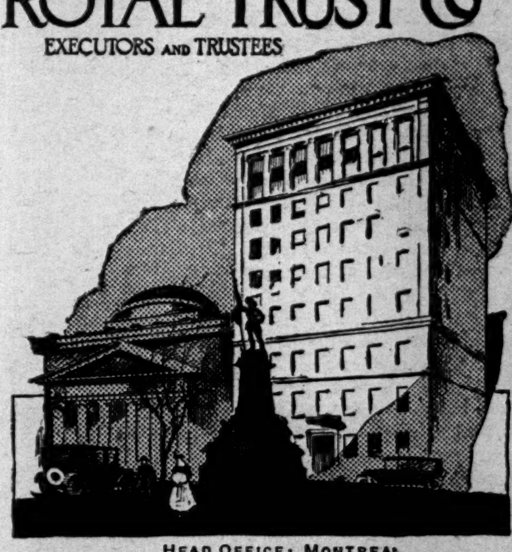

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DEPOSITS NOW BEING BLAMED FOR HIGH PRICES

Theory That They Will Have to Shrink Before Values Do

CURRENCY PROBLEM

Argument is Advanced That Increased Money in Circulation is Not an Important Factor

NEW YORK.—In discussions of the high level of prices there is frequently manifested a tendency to attach undue importance to the increase in the volume of money in circulation in the last five years, says the Wall Street Journal. It is apparently overlooked that bank deposits in the same period have shown a considerably greater expansion and have accordingly exercised a correspondingly greater influence on commodity prices. The error is committed by the author of a resolution introduced in the United States Senate, which calls upon the Committee on Banking and Currency to report whether or not it is advisable to enact legislation for the gradual reduction of the amount of money in circulation.

The mistake made here is the failure to perceive that credit is essentially the same whether it appears in the form of circulating notes or bank deposits, and that it has precisely the same bearing on prices in either case. But there are approximately $33,000,000,000 of deposits in the country, and only $5,800,000,000 of cash in circulation. Moreover, the deposits have increased by $11,000,000,000 since 1914, while the volume of circulation has only expanded by about $2,500,000,000. Accordingly, in any attempt to solve the problem of high prices through the regulation of credit, attention should be paid primarily to bank deposits.

England and France

The situation in this respect is somewhat the same in the United Kingdom. Although the currency notes which were first introduced into circulation at the beginning of the war have risen in volume to $1,715,000,000, the deposits of the joint stock and private banks of the three countries have increased by $4,766,805,000 in the same period and therefore have had considerably more to do with the advance of prices in those countries than the issuance of the currency notes.

In France, however, the credit expansion resulting from the war has mainly taken the form of a huge increase in the Bank of France note circulation. From about $1,200,000,000 outstanding at the outbreak of the war the amount has reached $7,000,000,000, principally as the result of advances made to the French Government. With the French therefore, the problem is how to reduce this circulation, but in America and England it is chiefly one of bringing about deflation in the deposit credit position of the banks.

Reserve Board's Views

The Federal Reserve Board has replied to the Senate Committee on Banking and Currency in answer to an inquiry as to the advisability of legislation providing for the fradual reduction of the currency in circulation as proposed by a resolution passed by the Senate. The board states that there is no redundancy of Federal Reserve notes and that the only remedy for high prices in the last analysis is to work and save. It says in part:

"The principal cause of the advance of prices before and during the war was the urgent need of the Governments of the allied world for goods of all kinds for quick delivery in large volume, and the competition of this buying by Governments with purchases by private individuals who failed to contract their expenditures at a rate commensurate with the growing expenditures of these Governments. In the post-war period, through which we are now passing, the country has experienced rising prices owing, in part, to a general relaxation of the war time regime of personal economy, resulting in an increased demand for commodities by individuals who restricted their purchases during the war but who are now buying in competition with export demand. In addition, accrued incomes and increased wages have led to heavy demands for commodities not of prime necessity, which have resulted in diverting labor and material from essentials to non-essentials.

"The Federal Reserve Board believes that any currency legislation at this time is unnecessary and undesirable, and would suggest that whether viewed from an economic or financial standpoint, the remedy for the present situation is the same, namely, to work and to save; to work regularly and efficiently in order to produce and distribute the largest possible volume of commodities; and to exercise reasonable economies in order that money, goods, and services may be devoted primarily to the liquidation of debt and to the satisfaction of the demand for necessities, rather than to indulgence in extravagances or the gratification of a desire for luxuries. The war is over—in a military sense—and while the bills have been settled by loans to the Government, these obligations, so far as they are carried by the banks, must be absorbed before the war chapter of the financial history of the country can be closed."

PREPARING WAY FOR GOVERNMENT LOAN CAMPAIGN

Continued from page 1.

the public seems to have been succeeded by a period in which the public is not showing any interest in either direction. Such business as is taking place is of a distinctly professional complexion. President Wilson's address was used as an influence and appeared to inspire confidence, but this was short lived and was followed by weakness and some recessions. Opinion seems to be divided as to whether the present situation indicates that the industrial expansion has been discounted or whether industrial rest is causing apprehension. Hayden Stone & Co. says:

> The period of expansion will continue until the world's stock of goods has been replenished. The market will continue until it has discounted this, and until the saturation point has been reached in the flotation of new securities. Whether these two things have already been done is a matter of judgment. Personally, we hardly think they have, and the market is so much improved by the setback of this week and the figures of the latest earnings that we hear are so impressive, that we are inclined to look for a short period of advancing prices before this era definitely comes to an end. The action of the market encourages this belief, but it must be kept in mind, at all times, that we are in a very abnormal and unhealthy state when, instead of making every effort to produce, the main object seems to be to get as much as possible for as little effort as possible. The thought is a disagreeable one, which we try to dismiss, but which keeps occurring with increased frequency that the only real cure for the present situation—the only thing that will bring us down to earth—is a period of thorough depression—"hard times"—when we shall learn the true value of an honest day's work. This is not intended as a tirade against "labor" in particular, but applies to all classes of society.

The present price levels are discussed by J. S. Bache & Co. as follows:

> The question of whether stocks are cheap is often predicated upon sentiment prevailing in business concerning large questions such as the belligerent attitude of labor, political activities against corporations, etc., etc. If an atmosphere of this kind is created it will hardly conduce to a rising market especially with loans still very high, meaning that the public is still very heavily in the market.
>
> We believe profits should be realized from time to time, and that investors should be careful not to extend their lines of commitment beyond their ability to amply margin, particularly until the existing labor agitation has been quieted and Washington has demonstrated its ability to handle the many important questions affecting the public welfare.

CANADA BOND CHARGES

Business of Ralph M. Bird & Co. Has Been Absorbed

Important changes in the personnel of the Canada Bond Corporation are announced. Ralph M. Bird, who has had a long experience in the investment field, has been appointed secretary, and will have charge of the purchasing of securities. Mr. Bird has been the senior member of Ralph M. Bird & Co., and both the business and organization of this firm will be absorbed by the Canada Bond Corporation. Mr. Bird has made a special study of municipal bonds as an investment, and his book, "Instalment Bond Valuation Tables," is in general use by both bond dealers and investors generally.

Norman B. Bell becomes treasurer and sales manager of the corporation. Before accepting a commission in the 123rd Battalion in the fall of 1915, Mr. Bell was a member of the firm of Kerr, Bell and Flemming. He was discharged from the C.E.F. in 1918, and since that time has been connected with the Canada Bond Corporation. The assistant secretary is Mr. Harry H. Goss, associated for many years with the Aemilius Jarvis Co., and during the past two years with the Canada Bond Corporation.

CANADIAN BANK

Continued from page 9

points that were mentioned were these:

The idea underlying the new departure in Canadian banking is that farming is becoming more and more a specialized industry, and requires a combination of keen business sense and expert knowledge of agriculture to secure the fullest possible returns. Neither in the ranks of the bankers nor the farmers is the combination common. "Every man at his trade" is an old saying, and it is not surprising if the average branch bank manager is unable to properly cope with the problems of a large farmer or rancher. Nor is it to be wondered at if the average farmer gets beyond his depth in financing or managing the marketing or development of his business of production. . . . If farming had remained on the same plane as prevailed until recent years, the degree of understanding now attained would provide a good working basis, but farming has changed in many ways. It is conducted on a larger and much more expensive scale than before. The homesteading days when a loan of a few hundred dollars sufficed have largely passed away. . . . In helping to reduce the mistakes in agricultural finance to a minimum, and aiding the practical farmer to secure all the profit which his industry can produce, a rural service department can be of great benefit not only to the individual farmers who seek its advice and assistance, but to the province at large.

THE MUNICIPAL CONVENTION AND COST-OF-LIVING

Continued from page 1.

gation of the causes for high living costs.

Reckless Condemnation

On the other hand the rest of the speakers denounced in trenchant and caustic terms everything savoring of profiteering or waste. In introducing the subject, W. D. Lighthall, K. C., honorary secretary-treasurer of the Union, stated that resolutions urging action to combat the high cost of living had come from many municipalities and that the subject was one of vital importance.

He pointed out that during the war the purchasing power of a dollar has been reduced by some 54 per cent. and he attributed the acute living conditions of the masses occasioned through high prices to the existence of mergers. He declared that corporations had consolidated their resources with the intention of securing a virtual monopoly over the necessities of life. As instanced he named rubber combinations, packing combines, milling combines and oil combines. The pernicious feature of such monopolies was obviously their avowed intention of dictating prices and he remarked that to-day the business men are wondering how much it is safe to ask for commodities.

To prevent such practices he advocated legislation forbidding any monopoly to dictate prices because it meant the annihilation of the law of demand and supply. He declared that monopolies must be controlled by the Dominion Government and not by the municipalities or the Provinces.

He was endorsed by Mayor Hardie, Lethbridge; Alderman Grant, Edmonton; Ald. Kyle, Longueuil, and others who spoke in general terms of profiteering, investigations, prosecutions, revolutions, etc., in relation to the present social crisis.

Puts It Up To McFall

Hon. A. G. Mackay, Minister of Municipal Affairs in Alberta, declared in a stirring speech that Dr. McFall, the Cost of Living Commissioner, should be compelled to bring forward the facts upon which he bases his reports to the attorney-generals of the interested provinces who could take action. "Either the reports of Dr. McFall are true or they are false," said Hon. Mr. Mackay, "and it should be up to the courts to prove their reliability and bring the offenders to justice."

Some of the delegates endeavored to introduce the tariff into the discussion, but when Mayor Hardie, of Lethbridge, Alta., a Westerner of the Westerners, rose and declared in no uncertain terms his allegiance to the present policy, discussion was promptly squelched.

Lack of Information

On the whole the discussion did not measure up to expectations. There was a surprising lack of facts brought forward to substantiate opinions which are now common talk and as such have been generally accepted without proof. The meeting seemed content to believe that if such profiteering as does exist were to cease the solution to the high cost of living would be found.

Moreover there was an appalling want of knowledge on the part of the delegates respecting the legislation enacted by the Dominion Government at the last session to alleviate conditions arising out of the high cost of living. Dr. J. W. Edwards endeavored to enlighten the members, but he came in conflict with some Western members who were not so sure that Government had done everything in its power.

Elson Carries Weight

Mayor Elson continued to urge upon the convention the need for greater production, and although a resolution was passed embracing a wholesale condemnation of profiteering which seemed to have no stronger backing than public opinion, he succeeded in getting a motion through urging "public persons in all responsible positions, the press and other moulders of public opinion to try to educate citizens to produce more of the needed commodities and to promote the spirit of frugality and thrift.

7% 7%

King Edward Hotel Co., Limited

7%, 15-year Sinking Fund Bonds, payable in Toronto and New York, at 100 and interest, carrying a bonus of 30% of Common Stock

CAMPBELL, THOMPSON & CO.

7% Canada Life Building TORONTO 7%

1918-1919
The Provincial Bank of Canada

Report Submitted by the Board of Directors to the Shareholders of the Provincial Bank of Canada

Gentlemen:—

At the very opening of this meeting, the first to be held since the conclusion of the war, we feel it our duty to express our whole-hearted admiration for our brave soldiers and the gratitude we owe to them. Alas! the number of those is too great who have paid for the triumph with the sacrifice of their lives, and who will not hear on earth the applause for the victory their valor won.

The Government of Canada has continued to receive the greater part of the necessary supply of money by the issue of the 5% Loan of 1918, appropriately called "THE VICTORY LOAN." Personally and through our clientele at the Head Office and in our branches, we have given constant aid to the success of this national loan.

In spite of the serious consequence of the war affecting the greater part of the period covered by the present report, our operations have been relatively considerable and remunerative. The statement submitted for your approval shows a total of $31,693,379.30, being an increase of more than TEN MILLION DOLLARS ($10,000,000) over the same item in the statement for 1917, which in its turn was an increase of more than THREE MILLION TWO HUNDRED THOUSAND DOLLARS ($3,200,000) over the amount in the preceding annual statement.

Deposits in the Bank amount to the imposing figure of $22,489,456.61, and this in consequence of the steady development of the business of the Bank.

In order always to be in readiness to meet these obligations, your Board of Directors, in accordance with the management you have hitherto approved, has maintained in the highest degree of liquidity the several items of the Bank's assets, especially cash in hand and in bank. The amount of the latter $8,284,720, in addition to the Bonds of the Dominion of Canada, Canadian municipal securities, those of the Allied countries and our loans on demand guaranteed by debentures and shares, form a grand total of $22,535,000, being more than seventy-eight per cent. (78%) of the total amount of the Bank's obligations towards the public.

In order to comply with the By-law passed at your last meeting, the present term covers the period between the first of January, 1918, and the thirtieth of June last, 1919, that is to say, a period of eighteen months. You will remark that the net profits realized during these eighteen months, amount to $434,594, as against the sum of $207,000, for the twelve preceding months. Therefore, if to the last mentioned figure there be added $103,500, being the exact proportion for six months, the net profits for the eighteen months would be $310,500, showing an increase of $124,000 for the latter period of time.

Out of the net profits, the sum of $250,000 has been brought to the "RESERVE FUND," which now has attained the figure of ONE MILLION.

Our Staff, as well at the Head Office as in the branches, has continued its excellent and devoted co-operation, and on our part, the measures already taken in its favor have been maintained. We have paid to our officers and employees three indemnities as against the high cost of living, totaling more than $32,000, of which $22,000, as you will perceive, were appropriated out of the profits of the past term. In further addition, another sum of $25,000 has been carried to the Special Reserve Fund, which you voted for the creation of a Pension Fund.

We beg to refer you to the account of "PROFIT AND LOSS," which will be immediately read to you, for the other appropriations made, and we do not doubt that these also will meet with your entire approbation.

For the reasons submitted in our special circular, the Board of Directors considered it advisable to issue new capital to the extent of ONE MILLION DOLLARS of date the 31st of January last, and on that occasion you once more strongly reaffirmed the complete confidence with which you have always honoured us, for this issue was oversubscribed in less than three weeks with a margin in excess of more than 70%, your Directors being obliged to refuse more than $700,000 subscriptions by many of your Directors and by the public generally. No doubt you will take this spontaneous response as evidence of the confidence which the PROVINCIAL BANK OF CANADA inspires in the Provinces of Quebec, Ontario, New Brunswick and Prince Edward Island, for at the present time, the numerous shareholders of the Bank are found in these four provinces, in which the Bank has ninety-five branches and a great number of sub-agencies.

Death has been busy in our midst, since the last general meeting, and has carried off two of our colleagues: the Honourable Alphonse Racine, a Director, and Doctor E. Persilier Lachapelle, one of the Board of Censors.

Honourable Alphonse Racine, who became a Director in 1909, brought to the Board the advantages of his wide experience in business, acquired in the important commercial house founded by him, whose operations extend all over the country. In him we lost a distinguished business man, whose advice was always valuable and whose excellent judgment was constantly at the service of the Bank. We beg to renew the expression of our sincere regret and once again to extend to his family our sincere sympathy.

In order to fill the vacancy caused by the death of Honourable Alphonse Racine, we have elected on the Board of Directors the Honourable Némèse Garneau, of Quebec, Legislative Councillor and Ex-Minister of Agriculture. You will no doubt approve of this happy choice, since the Honourable Mr. Garneau will especially represent on the Board of Directors the large number of Shareholders and depositors in the district of Quebec, where your Bank has already established several branch offices.

Doctor E. Persilier Lachapelle was one of the founders of the Bank and was Vice-President of the Board of Censors. To him we owe a heart-felt homage. High-minded and exceptionally gifted, his kindness and benevolence won for him the respect of all and the affection of very many. You will certainly join in the regret which his death has caused. To replace him on the Board of Censors, we have named Mr. S. J. B. Rolland, a well-known manufacturer, President of the Rolland Paper Company, Limited. The Bank will benefit from his many qualities, from his proved business aptitudes and ability.

The ordinary inspection of all our offices has been carefully made during the period we are dealing with. The valuation of assets has been established as in the past with every prudence, and all the expenditures for buildings, safety-vaults and moveables are being gradually wiped out.

Furthermore, as required by, the Banking Act, the auditors representing the shareholders have made minute examination of the assets and liabilities of the Bank, and their certificate, a copy of which forms part of the present report, establishes their entire satisfaction with the operations of the Bank.

We beg to testify as to the services rendered this year, as heretofore, by the Board of Censors; the splendid results shown depend in large part on their conscientious work and on the confidence which they justly inspire among our people. On your behalf, we are happy to express to them our well-merited thanks.

For the Board of Directors.

(Signed) **H. LAPORTE**, President.
(Signed) **TANCREDE BIENVENU**, Vice-President and General Director.

REPORT OF THE BOARD OF CENSORS SUBMITTED AT THE GENERAL ANNUAL MEETING OF SHAREHOLDERS

Gentlemen:— Montreal, August 13, 1919.

Having fulfilled our duties as Censors during the past year we beg to submit our report.

Our monthly meetings were regularly held, and at each meeting all necessary documents and papers were furnished us.

After careful examination we have found that the securities in the Treasury, such as Bonds of the Government of the Dominion of Canada and of Allied countries, and municipal and other obligations, together with the cash on hand and in Bank, exceeded at all the times during the year the amount required by the By-laws to meet the possible demands of depositors.

As appears by the report of the Board of Directors submitted, your Bank continues to progress and we rejoice in its prosperity.

In the death of our colleague, Doctor E. Persillier Lachapelle, this Board lost one of its most valued members. It is fitting that the Bank, which benefited so much by his services, should record its appreciation of his high character and splendid qualities, and therefore in this report we desire to express our respect for the memory of our regretted colleague, with whose relatives and friends we deeply sympathise.

For the Board of Censors.

A. LACOSTE, President.

PROFIT AND LOSS ACCOUNT, as on June 30th, 1919

CREDIT.			
Balance at credit of Profit and Loss Account, December 31, 1917		$ 20,004.00	
Premium on New Stock to date		90,250.00	
Profits for a period of 18 months of operation, ended 30th June, 1919, after deducting charges of Management, interest due to depositors, rebate on current discounts ($40,867.76) and provision for losses		434,594.13	
			$ 544,848.13
DEBIT.			
Appropriated as follows:—			
For five quarterly dividends at the rate of 7% per annum on $1,000,000	$ 87,500.00		
For last quarterly dividend on fully paid-up shares, and interest accrued on instalments paid re new stock (April, May and June, 1919) at the rate of 8% per annum (paid-up capital to date, $1,944,590)	36,691.61		
		$124,191.61	
War Tax on Bank Note Circulation to 30th June, 1919		16,464.00	
Written off Bank Premises, Real Estate, Furniture and Fixtures		20,000.00	
Carried to Special Reserve for Contingencies		40,000.00	
Contribution to Canadian Red Cross		2,500.00	
Provision for a Pension Fund		25,000.00	
Bonus Paid to Officers and Staff re high cost of living		22,000.00	
Transferred to "Reserve Fund," 31st December, 1918	50,000.00		
Transferred to "Reserve Fund," 30th June, 1919	200,000.00		
		250,000.00	
		$500,155.61	
Balance of Profit and Loss carried forward		44,692.52	
			$ 544,848.13
RESERVE FUND.			
Balance at credit, 31st December, 1917		$750,000.00	
Amount carried, 31st December, 1918	$ 50,000.00		
Amount carried, 30th June, 1919	200,000.00		
		250,000.00	
			$1,000,000.00

COMPARED WITH THE BOOK AND FOUND CORRECT:
(Signed) J. R. CHOQUET, Chief Accountant.
(Signed) M. LAROSE, Chief Inspector.

FOR THE BOARD OF DIRECTORS:
(Signed) H. LAPORTE, President.
(Signed) TANCREDE BIENVENU,
Vice-President and General Manager.

The General Statement of the Bank on June 30th, 1919

LIABILITIES.		
Deposits not bearing interest	$ 6,024,430.41	
Deposits bearing interest including interest accrued to date	17,465,026.20	
Balance due to Dominion Government	3,495,192.62	
Balance due to Provincial Governments	231,034.47	
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	792,240.04	
		$27,007,923.74
Notes of the Bank in Circulation	$ 1,547,653.00	
Unclaimed Dividends	2,452.29	
Quarterly Dividend on fully paid-up shares and interest accrued on instalments paid re New Stock (April, May and June, 1919), payable July 2, 1919	36,691.61	
Total Obligations to the Public		$28,594,720.64
Capital Paid Up	1,944,590.00	
Reserve Fund	1,000,000.00	
Reserve for Pension Fund	55,000.00	
Balance of Profit and Loss carried forward	44,692.52	
		$31,639,003.16
Liabilities not included in the forgoing		54,376.14
		$31,693,379.30
ASSETS		
Gold and Silver Coin current	$ 133,064.93	
Dominion Government Notes	2,199,663.00	
Notes of other Banks	650,675.00	
Cheques on other Banks	2,114,970.84	
Due by other Banks in Canada	2,677,319.52	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	509,027.23	
		$ 8,284,720.52
Dominion Government Securities not exceeding market value	$ 4,197,316.07	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian	4,019,074.73	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	1,793,697.91	
Call and Short Loans in Canada on Bonds, Debentures and Stocks	4,240,191.44	
Grand Total		$22,535,000.67
Loans to Cities, Towns, Municipalities and School Districts	$ 542,077.12	
Current Loans and Discounts in Canada	8,013,957.53	
	$ 8,556,034.65	
Less rebate of interest on both items	40,867.76	
		$ 8,516,166.89
Deposit with the Dominion Government to secure Bank Note Circulation	$ 64,065.74	
Overdue debts, estimated loss provided for	41,449.29	
Real Estate other than Bank premises	9,623.30	
Bank premises, including Furniture and Fixtures, at not more than cost, less amounts written off	236,598.90	
Mortgages on Real Estate sold by the Bank	24,074.57	
Other Assets not included in the foregoing	267,399.94	
		$31,693,379.30

COMPARED WITH THE BOOKS AND FOUND CORRECT:
(Signed) J. R. CHOQUET, Chief Accountant.
(Signed) M. LAROSE, Chief Inspector.

FOR THE BOARD OF DIRECTORS:
(Signed) H. LAPORTE, President.
(Signed) TANCREDE BIENVENU,
Vice-President and General Manager.

SHAREHOLDERS' AUDITORS' CERTIFICATE

To the Shareholders of
THE PROVINCIAL BANK OF CANADA.

In accordance with the provisions of sub-sections 19 and 20 of section 56 of the Bank Act, we report to the Shareholders as follows:

We have examined the above balance sheet with the books at Head Office and with the certified returns from the branches. We have obtained all the information and explanations that we have required and are of opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification as on June 30th, 1919, we have during the year checked the cash of the Chief Office and verified the securities representing the investments of the Bank at its Head Office and principal branches, and found them to agree with the books of the Bank.

The above statement to which reference is made in the report of the Directors is properly drawn so as to exhibit a true and a correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us as shown by the books of the Bank.

(Signed) ALEX. DESMARTEAU, L.I.C., Montreal
(Signed) J. A. LARUE, C.A., Quebec.

Montreal, July 19th, 1919.